

FOR OFFICIAL USE.



MINISTRY OF TRANSPORT.

RATES ADVISORY COMMITTEE.

GENERAL REVISION

OF

RAILWAY RATES AND CHARGES.

PROCEEDINGS OF MEETING

HELD ON

22ND JUNE, 1920.

SIXTEENTH DAY.



LONDON:

PRINTED AND PUBLISHED BY  
HIS MAJESTY'S STATIONERY OFFICE.

To be purchased through any Bookseller or directly from  
H.M. STATIONERY OFFICE at the following addresses:  
IMPERIAL HOUSE, KINGSWAY, LONDON, W.C.2, and 28, ABINGDON STREET, LONDON, S.W.1;  
37, PETER STREET, MANCHESTER; 1, ST. ANDREW'S CRESCENT, CARDIFF;  
23, FORTH STREET, EDINBURGH;  
or from E. PONSONBY, LTD., 116, GRAFTON STREET, DUBLIN.

1920.

Price 1s. 6d. Net.

MINISTRY OF TRANSPORT.

---

GENERAL REVISION OF RAILWAY RATES, TOLLS AND CHARGES

---

OLD HALL, LINCOLN'S INN, W.C.2.

Tuesday, 11th May, 1920.

*Terms of Reference:—*

"The Minister having determined that a complete revision of the rates, fares, dues, tolls and other charges on the railways of the United Kingdom is necessary, the Committee are desired to advise and report at the earliest practicable date as to:—

- "(1) The principles which should govern the fixing of tolls, rates and charges for the carriage of merchandise by freight and passenger train and for other services.
  - "(2) The classification of merchandise traffic, and the particular rates, charges and tolls to be charged thereon and for the services rendered by the Railways.
  - "(3) The rates and charges to be charged for parcels, perishable merchandise and other traffic conveyed by passenger train, or similar service, including special services in connection with such traffic."
- 

The evidence is issued in uncorrected form, and any inaccuracies should be notified to the Secretary, Rates Advisory Committee, Ministry of Transport, Gwydyr House, Whitehall, S.W.1.

00566407

# MINISTRY OF TRANSPORT.

## RATES ADVISORY COMMITTEE.

### GENERAL REVISION OF RATES AND RAILWAY CHARGES.

#### PROCEEDINGS OF MEETING

HELD ON

22ND JUNE, 1920.

##### PRESENT :—

F. GORE-BROWNE, Esq., K.C. (*Chairman*).  
Sir WALTER W. BERRY, K.B.E.  
W. J. DAVIS, Esq., C.H.  
W. A. JEPSON, Esq.  
L. A. MARTIN, Esq.  
W. M. ACWORTH, Esq.  
S. J. PAGE, Esq. (*Secretary*).

#### SIXTEENTH DAY.

MR. J. H. BALFOUR BROWNE, K.C., appeared for The Federation of British Industries.

MR. S. E. MACASSEY (instructed by Messrs. Vizard, Oldham, Crowder and Cash) also appeared for the Federation of British Industries.

SIR JOHN SIMON, K.C., SIR LYNDEN MACASSEY, K.C., MR. BARRINGTON WARD, K.C., MR. BRUCE THOMAS, and MR. MAURICE ALEXANDER appeared for the Railway Companies' Association.

MR. ROWLAND WHITEHEAD, K.C., and MR. G. W. BAILEY appeared for the St. Helens and Widnes Manufacturers and Traders.

MR. ROWLAND WHITEHEAD, K.C., and MR. EDWIN CLEMENTS appeared for the Iron and Steel Federation.

MR. G. H. HEAD appeared for the Livestock Traders' Association (instructed by Messrs. Maxwell, Brownjohn & Co.).

MR. JACQUES ABADY (instructed by Sir Thomas Ratcliffe-Ellis) appeared for the Mining Association of Great Britain.

SIR ROBERT ASKE (instructed by Messrs. Botterell & Roche and Hill Dickinson & Co.) appeared

for the Chamber of Shipping of the United Kingdom and Liverpool Steamship Owners' Association.

MR. F. G. THOMAS (instructed by Messrs. Francis & Calder) appeared for the Association of British Chambers of Commerce.

MR. W. A. WARDLEY (instructed by Messrs. Adler & Perrowne) appeared for the Association of Railways.

MR. EDWIN CLEMENTS also appeared for the Mansion House Association on Railway and Canal Traffic and the Timber Trade Federation of the United Kingdom.

MR. JACQUES ABADY (instructed by Messrs. White and Leonard) appeared for the Federated Home-Grown Timber Merchants' Associations.

MR. F. D. MORTON (instructed by Messrs. Bower, Cotton and Bower) appeared for the London Central Markets' Association.

MR. A. MOON (instructed by Bernard Wicks, agent for Mr. H. A. Sanders, Chesterfield) appeared for the Association of Smaller Railway Companies.

MR. S. E. MACASSEY (instructed by Messrs. Vizard, Oldham, Crowder and Cash) appeared also for the British Dye Stuffs Corporation.

*Chairman:* I suppose everyone has seen in the daily newspapers that there will shortly be a Reference to the Rates Advisory Committee to recommend in what manner a further sum can be found for the railways by way of interim revision, referred to by Mr. Bonar Law in the House of Commons yesterday as being before the public for a few days. There is also the question of the revision of Workmen's Fares, and the carrying of passengers at special rates which, I take it, must include season tickets. Upon the second of those matters the Reference has actually reached us. Upon the first of those matters it has not actually reached us, but we anticipate that it will almost immediately. In connection with both of those matters we shall need a great deal of information, particularly from the

railway companies, but also from the traders. As regards the general interim revision to find a further sum of money we do not yet know what the amount to be found will be, but it obviously is going to be something substantial; and it will presumably be open to us to recommend that it should be found in part from the carriage of goods and in part from the carriage of passengers. But, as has also been noticed and as must be obvious to anyone, there is always somewhere a breaking point beyond which an increase of rates does not produce money, and it is particularly with regard to that point—namely, where the breaking point is, how far addition to the fares for passengers would restrict travelling to such an extent that it would be an unremunerative thing to do, how far the rates charged for any

22 June, 1920.] THE RIGHT HON. THE LORD LOVAT, K.T., K.C.M.G., K.C.V.O., C.B., D.S.O. [Continued.]

particular class of goods would have a similar effect, that we shall need help. I am making this statement this morning because I am most anxious that, although we are not in a position to announce when the hearing upon those matters will take place, the parties interested should get to work so as to be able at quite short notice to give us information and assistance upon the questions that will arise at that hearing. No doubt the matter must be primarily one for the railway companies because they have information which the traders have not, but also there may be cases where traders wish to say that any further increase would be specially prejudicial to their own particular industries. If anyone proposes to say that, he ought to be ready with facts and figures to establish the proposition. As regards the question of workmen's fares and season tickets, no doubt the representation is not as good on the part of those who would naturally desire to see an increase not too large as it is in trade matters; but it is quite possible that the trade unions (or some of them) may see fit to send a representative to urge the case on behalf of the travellers. On behalf of the season ticket holders and traders' tickets and other people travelling at special fares, again, at any rate as regards the passengers, there is some difficulty in getting a really representative body to put their case. But, after all, we are all passengers and we ourselves all know where the shoe pinches, and that may help us to some extent to arrive at a proper conclusion. I just wanted to give those warnings so that anyone who is interested in the matter may get to work at once, and so that in particular the railway companies may prepare themselves with the necessary figures and information to bring before us.

*Sir Robert Aske:* On that Inquiry would the Committee consider whether it is now practicable to wipe out the exceptional rates in connection with water competition?

*Chairman:* Sir Robert Aske, I have asked you and everyone else to suggest to us a method of doing it, but at present we have not had that suggestion. If you are at any time ready with a suggestion

which will enable us to discriminate between rates which have been brought into existence by water competition and other rates we shall be most glad to hear it.

*Sir Robert Aske:* I did not know whether in view of the great amount of evidence now laid before the Committee they would be prepared to say that all exceptional rates should go except such as might be justified by any particular traders.

*Chairman:* We shall have to report upon that question and come to a conclusion as to what we can say. You will remember that the railway companies have told us of the difficulties in connection with it.

*Sir Robert Aske:* Yes; I appreciate that.

*Chairman:* And no one has suggested to us a simple means of doing it.

*Mr. Rowland Whithead:* After what my friend has said I will say this. These points will raise issues of very great importance to those whom I represent, and they are grateful to you for giving them fair notice. Their constituents are all over the country, but they will do their best to assist the Committee in any way they can. There are, however, great and important issues involved which will require very careful investigation before they come to present a case to this Committee.

*Chairman:* It may have been noticed by some that Mr. Bonar Law was so optimistic as to think that this Committee would be able to report at once on the question. I am afraid that I am not quite so optimistic. Nevertheless we want to get on as quickly as we can. Now, Sir Lynden Macasey will be giving to us the form in which truck rates should be.

*Mr. Bruce Thomas:* Sir John Simon is going to make a statement, Sir, and he will be here in a few moments. He has the statement which he proposes to make.

*Chairman:* Very well. We will now go on with the hearing, and the first representative body is the Forestry Commission and the Federated Homegrown Timber Merchants' Association. Lord Lovat, representing the Forestry Commission, is here, and will be the first witness.

The Right Hon. The Lord Lovat, K.T., K.C.M.G., K.C.V.O., C.B., D.S.O., called.

5559. *Chairman:* Will you please make such statement as you desire to make to the Committee?—Yes. A *résumé* was forwarded to you about ten days ago drawn up by Lord Clinton on the part of the Forestry Commission. The Forestry Commission's interest in the question of rates lies in the fact that the Forestry Commission, a Government Department, is interested both in the establishment of State forests and also in the maintenance of the existing woodland areas. It was decided by a Sub-Committee of the Reconstruction Committee that for the safety of Great Britain it was necessary to establish State forests to the extent of 1,700,000 acres in the course of the next 40 to 80 years, and to maintain at their existing extent—to add to the yield from the existing forests of some 3,000,000 acres. The State is therefore directly interested both in the establishment of State forests to the extent I have indicated, and also in the maintenance of private forests to the extent of 3,000,000 acres. Parliament has voted certain monies—£3,500,000—for the accomplishment of these objects, and the majority of that money is to be spent in the establishment of State forests, and certain grants and assistance are to be given to private landowners or corporate bodies who intend to forest land. Where the Forestry Commission is especially interested in the rate question is from the fact that in the earlier stages of forestry the only returns from woodland up to 30 years old comprise timber which is of a very low value and of a very bulky nature—I mean to say, pit props, firewood, and other such returns from woodlands. It is obvious that unless returns are got and it is possible to get these returns from these bulky products like pit props and firewood, the first 30 years of forestry will be a dead loss. Now, this will affect the question of forestry in Great Britain in two ways. First, it will make it more costly for the State to run their forests;

second, private individuals will not continue to forest their land; and one of two things will happen, either the State will have to increase its area of State forests and therefore add a considerable burden to the tax-payers, or it will have to increase its subsidy to the landowners and corporate bodies in order to induce them to continue to plant. The question of the acquisition of 1,700,000 acres of land is now, of course, occupying the attention of the Forestry Commission. It is, of course, advantageous to afforest distant places from centres of industry in order to increase the rural population and in order to take advantage of cheap land which can generally be got at certain distances from industrial centres. It is obvious that if the rates, especially for the earlier marketed wood, are raised very much higher than was the case before the war, areas will be entirely shut out from the fact that the rates on those products will be so high that the earlier products cannot be marketed with advantage. A very good example is the north of Scotland, which has an extent of 3,000,000 acres of land mainly devoted to sport of which a considerable area might be brought under cultivation. At the present time from some of those centres the pit prop rate is over 20s. a ton and, we understand, likely to go higher. It is obvious that if you add road cartage and railway cartage and then take the price at which pit props can be sold at the mines in the south of Scotland or in the north of England, that areas will be blocked out from which no yield will be possible and from which it would be impossible to get any return. That is the main position taken up by the Forestry Commission. They are interested in having a rate which will allow all timber to be sent—especially the early products, pit wood, stakes, firewood—from their State and private forests, and, secondly, they are interested in that those rates will be of such a nature as to enable the homegrown product at all

22 June, 1920.] THE RIGHT HON. THE LORD LOVAT, K.T., K.C.M.G., K.C.V.O., C.B., D.S.O. [Continued.

events to compete on equal terms with pit props and other minor products sent from abroad. That is the first line of the Forestry Commission. Being a new body and therefore the majority of their wood will not mature for a considerable period, that is their first line. But, of course, they are also interested in the question of matured timber. There is a Bill now in draft in regard to which the probability is that the Forestry Commission will take over the Crown woods, some 70,000 to 90,000 acres in extent, depending on exactly what area they take over; and of course they will at once become very much the largest woodland owners in Great Britain, and at once have a certain amount of matured timber to sell on the market. Consequently they are interested in the price which they will get for the timber. In the same way with regard to the matured timber of the private owners or bodies like the Manchester, the Liverpool, and some other Corporations which have considerable areas of woodland in which they are interested, and they naturally desire a good sale for the timber from their estates from the point of view that if money comes in over forestry it will probably go out again in planting. But that is really secondary to the first statement I have made that the Forestry Commission is more particularly interested in the first products from the woods, because otherwise with the high cost of labour for planting which has put planting up from £4 to £6 an acre to anything from £6 to 10 an acre, the higher rate of interest paid, and the fact that if no early return is got from woodlands the money is quadrupled before any return is made, will undoubtedly affect—as I have already indicated if it is difficult to get a sale for the early products—will undoubtedly make it more difficult for the State to afforest, and will also have a very injurious effect on private woodland owners who wish to afforest land. I hope I have made the point clear that unless the private individual—we are not, of course, interested in him as such except that we want his woods to improve—but if they do not plant, if the safety of Great Britain is to be maintained on the lines of the Committee's Report, the State will have to step in and do it for them, unless a departure from policy is made.

5360. Then what is your specific proposal with regard to the carriage of timber?—The proposals that I would suggest for consideration are (1) the question of a maximum flat rate; and (2) the question of classification—reconsideration of the question of classification.

5361. Timber at present is in Class C?—Of course, it comes in various classes, depending on the kind.

5362. Rough timber I think is Class C.

*Mr. Abady:* Class C and Class I.

*Chairman:* “Timber—pieces of, grooved, for enclosing underground electric cables; timber—rough, sawn, with short pieces of wood nailed on, used as supports in erection of stumps at agricultural and other shows”—those are in Class I; but the general timber class is Class C.

*Witness:* Yes.

*Mr. Abady:* I think that in fact round timber is charged in Class I.

*Chairman:* I have the general railway classification before me; I do not find that so.

*Mr. Abady:* I propose to give evidence on that.

*Witness:* Yes, round timber is Class I.

*Mr. Abady:* It is Class C actual weight, and Class I. measured.

*Chairman:* This is what goods are carried at now.

*Mr. Abady:* Evidence will be placed before you about it.

*Chairman:* Very well.

5363. *Mr. Jepson:* When you speak of the “earlier products” of this forestry scheme, I suppose you are referring particularly to pit props?—Yes, especially to pit props.

5364. That is the young timber is felled to fill it out and the product is used as pit props?—Yes.

5365. You want the rates from the North of Scotland to the mining centres in Scotland and in the north and, perhaps, the middle of England, to be

rates which will enable you to compete with Norway props?—Yes; and in the same way with Wales. The whole of the South of England which practically sends to Wales—so that it will compete with the rates from Bordeaux, Bayonne, and Portugal.

5366. Do you know whether to any extent the Scottish pit props fairly competed with Norway props prior to the War?—Prior to the War they did only from the Landes; with the result that timber was actually felled in the woods for sylvicultural purposes—that is to say, for cleaning the woods, and actually left lying there as it could not get any sale.

5367. But you would agree that prior to the War, owing to the low sea freights and cheap timber from Norway, the pit props from the North of Scotland could not very well compete with the Norwegian props?—That is so.

5368. During the War the position has entirely altered as the railway companies have given a flat rate?—Yes, a 10s. flat rate.

5369. You are not suggesting that what was done during the War should be continued *ad infinitum*?—I am not suggesting that the actual figure during the War should be continued *ad infinitum*; but I am suggesting that a modified flat rate might be charged.

5370. Something to enable them really to compete with the Norwegian props?—Yes, in Scotland. But equally important, if I may say so, is it to compete with the Bayonne and other props in England. I only take Scotland as an example because there an actual flat rate was placed on. I would suggest it is a matter worth examining that during the War the 10s. flat rate brought out such additional traffic so that the railway companies did not actually lose by it. . . . The rate was 6s. below that which had been charged under War conditions, and I think it is a matter which might be considered by the Committee whether notably the Highland Railway did not make money on this traffic on account of the bulk of traffic carried.

5371. Have you any figures to put before us?—No, I was not asked to do so at the present time. I was merely stating the broad aspects of our case without detail.

5372. *Mr. Abady:* Would it suit the views of the Forestry Commission if for pit props rates were fixed so that for the same distance and the same quantity the same rate would be paid, whether the wood was conveyed from a port to an inland town or from one inland place to another inland place?—Our broad position is that we wish to have a rate which will not knock out the question of being able to sell the pit props from the woods, and secondly, one which will enable the homegrown timber to compete fairly with the foreign grown timber.

5373. That is to say, if an exceptional rate which has been in force for imported timber were done away with and the rate were the same as the inland rate, would that suit your views?—Either levelled up one way or the other; it is the same to us provided we compete equally. And if possible, in view of the fact that the State is now directly interested in timber production—which it was not before the war, before the war the State was only interested in timber production as regards the Crown woods which was a deal between the Crown and the Government for the time being—but now if this timber policy is continued the State is definitely interested not only in State forests but also in private forests.

5374. What I am putting to you is the view of the Homegrown Timber Association and I wanted to see how far your views coincided with theirs?—Yes.

5375. *Chairman:* I take it that you do not put it before us that the railways should subsidise the State and carry timber at a loss?—I do not wish to press the point beyond the position that the State is definitely interested in timber production.

5376. Is there any reason why the State should not pay the same rates as the trader?—No. But take the rate on timber as compared with the rate on coal. I think the difference in certain areas is more than double, if not treble, the rate that coal pays.

22 June, 1920.] THE RIGHT HON. THE LORD LOVAT, K.T., K.C.M.G., K.C.V.O., C.B., D.S.O. [Continued.

5377. There is a good deal of difference in the conditions of carriage?—Yes; but if you wish to encourage a business you must give it facilities.

5378. Is it the business of the railway companies to encourage business at their own expense?—I have given you the example of the Highland Railway which I would like you to examine.

5379. I understand you cannot give us figures, but if you had been able to do so it would have been easier for us to appreciate the proposition put before us. Merely a proposition that because the State is interested they should be granted a lower rate than traders if it had been left in the hands of the traders, is one we should find it difficult to accept.—Do not you go so far as the encouragement of home industries as opposed to foreign industries?

5380. That is another and different question upon which we have not embarked; but that would not be affected by the fact that it is the State which is now doing the work?—No.

5381. Mr. Davis: Would you have a different rate for the State?—?—I am not asking for a different rate for the State; I am asking for what the private owner and the State would both call a fair rate for the transport of timber.

5382. With regard to the wood merchant—he is a trader?—Yes. I am not asking for any special rate for the State as opposed to the trader.

5383. Mr. Jepson: As a matter of fact, the State would not be interested in the carriage of this wood. Your interest is that the State are trying to encourage the afforestation of land, and unless people will absolutely grow on their own without a State subsidy—except in so far as planting goes—unless some inducement can be given to them to enable them to sell the immature stuff, they are not likely to deal with it?—Yes; therefore the State will have to increase its subsidy or its planting. The State will not in normal circumstances market its own wood. The State is a grower of timber and, as is done in France and Germany and other Continental countries, the State will not interfere with the merchant's business of marketing wood. Once the State has felled its trees, and so on, it will sell to the wood merchants who will carry out their own work. The State will be expert only in growing the timber, not in marketing it.

5384. Mr. Acworth: Can you tell me how much woodwork can be put in a truck?—That is a matter which depends very much on whether you are selling by weight or by measurement. In England most of the measurement is done by weight, in which case the timber is put in green; in Scotland most of it is sold by the 100 linear feet—I am talking of pit props for the moment—in which case the timber is peeled and put in as light as possible. It is obvious that the bulk is the same in both cases.

5385. Can you tell me what the weight in a truck would be?—Over 4½ tons and under 5½ tons in a 10-ton truck.

5386. It roughly speaking loads about half as well as coal?—We are talking about pit props. It depends very much on the size of the pit props.

5387. You quoted two rates just now. The first was a rate of 10s. existing as a flat rate during the war?—Yes. A flat rate was given all over Scotland to any mine in Scotland, I think, where it was consigned direct to the mine. If it went into a timber merchant's yard they did not get the benefit of the flat rate; though I am not certain about that.

5388. Then you spoke of a rate of 20s.?—The present rate from the northern counties of Scotland to the mine is about 20s., I think.

5389. To what mines?—To the Lanarkshire mines.

5390. Have they withdrawn that 10s. rate?—Yes. The 10s. rate was withdrawn. I could not give you the exact date, but it was about a year ago.

5391. Can you tell me what is the selling value of a ton of pit props in Lanarkshire?—There it mainly goes by the Acland Award, 18s. 6d. for pit props at the narrow end, and it runs up to about 50s. or 54s. for 6 inches.

5392. That is the present price?—Yes.

5393. Sir Walter Berry: Per 100 feet?—Yes, per 100 feet. You will find it in the Acland Award.

5394. Mr. Acworth: Per 100 feet. I wanted to know what relation the railway rate bore to the value?—It would be better to take that by the ton, would it not?

5395. Yes.—I think you might take it that in Wales to-day the price is about 65s. a ton.

5396. That is what the mine pays?—Yes.

5397. Mr. Abady: I understand the price is 40s. to 45s. on rail exclusive of carriage?—No, let us get it as delivered. I think you will find that to-day about 55s., to 65s., would be the price in Scotland; and I think in Wales it will be about 65s.

5398. Mr. Acworth: The two seem to fit if you assume the rate of 20s.—?—If you want to get at the actual economics of the thing, if you take 20s. for your haul to the mine, say 10s. for your haul on the road, say 6d. or 1s. compensation for damage done to roads, then you have your felling and cross-cutting, and so on, added to that, and you have to make something for the individual who grows the trees; therefore there is not much left out of 65s.

5399. Can you tell me what the rates are from Bordeaux at the present time?—No, I do not know. Before the war they used to sell pit props delivered in Cardiff at, I think, about 25s. a ton.

5400. That would be about a 6s. sea freight?—I do not know. In France, on the other hand, they give the grower of timber enormous advantages there.

5401. In what way?—In the way of cheap rates.

5402. Mr. Jepson: For export?—Yes, and also in their own country. I ran the timber supplies for Great Britain for the last one and a half years of the war and I was continually up against trouble over the advantages given to local people in France even during the war. They studied the interests of the local merchants to such an extent. I do not want to argue more than that France and the French railway systems are closely interested in encouraging the timber trade of France.

5403. Mr. Acworth: This is obvious, is it not, that if you have to compete against foreign timber the foreign timber has only a short carriage to the mine?—No; in the Landes I should think 70 miles you would have; and in other cases 100 miles.

5404. I mean in England—timber imported probably does not travel more than 30 miles on the English railway to get to the pit?—A great deal more than that I should think. There is the whole of Sussex—

5405. I mean imported timber?—I am sorry.

5406. Imported timber comes to the nearest port?—But it may have had a long rail haul in its own country.

5407. I was thinking that to put you on the same terms as imported timber would not help you if it was on anything like a mileage scale?—No; but even on a mileage scale advantages are given. But I think the timber merchants will tell you that even for the short haul advantageous rates are given. I think it is a matter of interest to see what the rates are in, say, the Bordeaux area, where they have a considerable haul before they get to the port, showing the encouragement given by certain foreign States to their exporters as compared with what is done in this country for the encouragement of forestry.

5408. You cannot give us any figures?—No; but I can easily get them for you.

5409. I think they will be very interesting?—Yes.

5410. Sir Walter Berry: I am very much interested in your statement, and before this business was handed over to you you will remember that I had some interest in it for the Government?—Yes.

5411. In looking at this matter it always appeared to me, with regard to the railway question, the most important way of approaching it with a view of getting some relief would be in the classification?—Yes.

5412. The difficulty that I was always up against in looking at this matter for rates, for pit timber particularly, was this: the pit timber usually went from the docks where the coal was taken to and went back carried in the wagons to the pits; whereas, whether it is into Sussex or the North of Scotland, wagons had to be worked specially to bring the traffic

22 June, 1920.] THE RIGHT HON. THE LORD LOVAT, K.T., K.C.M.G., K.C.V.O., C.B., D.S.O. [Continued.

away so that the whole problem was so different?—With your reduction in the export of coal surely that comparison is not so important now. I think the allowed export of coal for Scotland is down to 10 per cent. of what it was before the War; so that that argument would go to a certain extent. Of course, there are certain areas where undoubtedly the trucks could go back to the mines.

5413. You will notice under classification—fire-wood, for instance?—May I interrupt for a moment. I have developed the point of pit props because that is what the Forestry Commission are

mainly interested in; but one should not lose sight of the fact with regard to classification—which, of course, includes squared timber—the point that a great many merchants especially in England have to pay a double freight over the railways, (1) into the centre for it to be sawn, and (2) when it goes out as sawn material. So that whatever railway rates are made with regard to pit props, they are even more important in a sense to the squared timber merchant who has got to bring much of his timber in on the round and then send it away square afterwards. I just wanted to mention that point.

Cross-examined by

MR. BRUCE THOMAS.

5414. I think I understand the points you have been putting. Am I correct in understanding that you do not propose that the railway companies should carry timber at rates which would not be remunerative?—I am not sure that any rates are remunerative to railways at present—a great many rates are not at any rate.

5415. This Committee is going to revise the rates as you know, and the idea is that railway companies

should be put upon a commercial basis and be self-supporting?—Yes.

5416. You do not suggest that the railway companies should foster the timber trade out of their own pockets by carrying at unremunerative rates?—No, I do not.

5417. As I understand, you desire that the timber trade should be treated at least leniently in order that its development might not be hindered?—Quite.

(The Witness withdrew).

*Mr. Abady:* I have no further questions to ask Lord Lovat. I propose now to call evidence on behalf of the Homegrown Timber Merchants' Association. Lord Lovat has laid the foundation of the case which the Homegrown Timber Merchants' Association wish to put before you. His point of view has been the national point of view; and although this Association is appearing as a trade Association, I think it is not putting it too high to say that they too found their case on the national point of view. Of course, the Committee will understand that the Association represents the native timber trade as distinguished from the foreign timber trade; and, broadly speaking, they ask for nothing more than to be put on terms of equality with the foreign timber trade, and that the preference which in fact has existed in favour of the imported timber shall cease by the arrangements that are made by the Committee, either in the way of the abolition of exceptional rates or in the classification, or both. You will understand that the members fell and care, and very often convey by rail round timber from the woods to the saw mills and convert it into battens, scantlings, and boards, which are also carried by rail. Very often they are involved in two carriages on the railway. Having regard to the low value of timber, particularly of rough timber, evidence will show you, I hope conclusively, that the present rates charged are high. Then there is the question of the carriage of immature timber—on which Lord Lovat has dwelt—which is principally used for pit wood and for firewood; and it is necessary from the national point of view—from the point of view of developing forests—to do everything possible to facilitate the clearing of that immature timber, because upon that being done in a regular way depends the development of the forests. Lord Lovat referred to the desirability of planting forests in districts remote from towns on account of the cheapness of the land. That brings in its train the question of the employment which is offered—which is a national point—by forestry; and I think it is true to say that when forests have developed in a number of years' time the number of men employed per acre in connexion with forestry compares favourably with the number employed on other forms of culture. As I have said, I do not want to deal with the thing at any length; but there are three points I want to emphasise and I will let the witnesses speak for themselves on the other points. The first arises on Question 10 of the Questionnaire; that is the question of station and service terminals being set out separately. What we say on this is as follows: "Round timber at the present time is sold by measurement weight." To that I understood from the remarks that fell from you, Sir, on the

opening day that time would be given for discussion of the relative merits on measurement weight and machine weight, but that would come when we went into classification, so I do not want to pursue it except to say that we advocate measurement weight. The round timber is conveyed by measurement weight in Class 1 at the present time. It is loaded by the railways as a rule, and a separate and distinct charge is made. No objection is made to that. But the point is that Class 1 rates include station and service terminals and also cartage and delivery, none of which services are as a rule performed in connexion with the transit of rough timber; consequently these charges have to be dissected before anyone wishing to consign round timber can know the rate at which he has to consign. Then, again, the question of dissection of rates comes in with the question of exceptional rates; because if rates are dissected—the sea rates for imported stuff are dissected—the sea rates should be shown separately, the other charges shown separately, and then it could be seen whether or not in fact a preference is being given on the railway conveyance rates to timber which comes from foreign ports. Then the other point to which I want to refer is on Question 13 of the Questionnaire—the elements to be taken into account in fixing the classification. That, again, is a matter which fails to be argued or dealt with at length—not at too great a length, I hope—at the second stage.

*Chairman:* The principles are to be dealt with now.

*Mr. Abady:* Yes. The principle we advocate is classification by value. The value of timber is low; the railway carriage is a very large proportion of it, and on its delivered value it is certainly more than 20 per cent. The percentage rates already put in force have hit round timber very hard indeed, and we need say nothing more on that except that Mr. Turner, the first witness, will give you tables showing the percentage which the present carriage bears to the value of timber and I think he is in a position to compare it with other commodities. I would like to remind you that round timber is raw material; and it is necessary, of course, that it should be put on the very best basis possible to compete with possible imports of foreign raw material. That is a principle which you yourself have enunciated in connection with iron ore. You will remember your remarks, Sir, on May 18 in regard to that matter; and I suggest to you that the same principle covers raw timber. Now with respect to exceptional rates, our case is that at the present time, without any conscious desire to contravene the provision of the Statute which prevents preference being given to imported material, the

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

rates quoted where one of the terminals is a port and the other terminal is an inland town—for timber—do in fact favour imported timber; and we ask that exceptional rates shall be done away with. We do not want to be narrow-minded about it, but we ask that the matter should be considered from the broadest point of view. That is to say, we have no objection whatever to a particular port being favoured inasmuch as it is included in a group rate, and it might favour one port because it is farther away than the average distance. But we ask that steps be taken to compare the inland rates for timber with the rates where a port is a terminal, that in a similar manner to that suggested by Sir Alexander Butterworth with respect to pig iron a mean line shall be drawn through the results one gets at different distances and that rates be fixed—we are taking deals, battens and boards as our basis and I will tell you why in a moment—that are a mean of the rates charged for carriage from inland town to inland town and the rates charged for carriage from ports to inland towns. We think that if that were done there would be no preference whatever between imported timber rates and inland timber rates; and that would also mean that exceptional rates would be done away with. I want you to observe that I am making a proposal not only that exceptional rates should be done away with respect to timber, but how they should be done away with. I think those are all the remarks I want to make, except to make it perfectly

clear that Lord Lovat's point with respect to rates on pit props would, of course, apply to pit props which are grown by private growers, and I do not think he must be understood to be asking a special rate for anything because the State is a producer. It is simply that we want equality of treatment so as to enable pit props in fact to be brought into the pits where they are required to be used at rates which are the same as imported pit prop rates; and if we cannot stand up to the competition from abroad then it is time to consider whether it is serious enough in the national interest to give exceptional rates again for homegrown pit props. I am not asking that now; but that there should be absolute equality; and I am suggesting, and I think I have made it clear, the way in which that should be done.

*Chairman:* Do you ask for a flat rate?—No; because that involves the same rate on any line; but subject to the maintenance of through rates, the cumulative principle of conveyance mileage, we ask that the rate from any point to any other point in the same circumstances and for the same weight shall be the same. If that involves going from one railway whose basic charges are higher than another railway, of course, that would affect the carriage on one railway compared with another. But other things being equal, we ask that the rates for a certain distance for the same weight, under similar conditions of transit, shall be exactly the same.

Mr. ALFRED TURNER, called.

Examined by Mr. ARA DY.

5418. You are a Director of Messrs. E. W. Turner and Co., Ltd., timber merchants, of Bloxwich?—Yes.

5419. And you represent the Federated Home-grown Timber Merchants' Association, which comprises nearly all the English and Welsh merchants of home-grown timber?—Yes.

5420. I think you have prepared a proof?—Yes.

5421. I do not think it is necessary for you to trouble the Committee with all of it, but if you will turn to page 3a, maximum rates, and start reading from that that will place the views of the Federation before the Committee?—Yes. Maximum rates: Our Federation desire that maximum rates should be established and defined by Parliament, although it is recognised that this cannot be done at the moment. We consider that the arrangements in connection with the Railway and Coal Commission should be modified so that some of the members should in fact represent traders and another one in fact represents the railways; and if it is possible we ask that the present expenses should be as far as may be reduced. I want to suggest that the principle on which advances or reductions of the working scales are to be made should be carefully defined. I am presuming, of course, that working scales are brought into operation, that certain exceptional rates in a great many commodities are averaged down, and working scales are brought into general operation.

5422. *Mr. Jepson:* When you speak of a "working scale" that is what we have hitherto described as a standard scale?—That is so.

5423. Would you mind using that expression?—Yes; I mean exactly the same thing. I wish to suggest that the principles on which advances or reductions of those standard scales are to be made should be carefully defined so as to maintain an inducement to economy on the part of the railways. That is to say, it may well be that some time after the establishment of the standard rates the railways may be able to show that their costs have increased owing to various causes, and they may ask for proportionate increases in the rates. This I would say would merely have the effect of passing on automatically to the trader any increase of cost without any inducement to the railway companies to economise. On the other hand, it is at least in theory possible that traders may be able to come before the tribunal the tribunal having authority to deal with these matters—and show that costs have come down, and they might demand reduced rates

in proportion; in which case the railways might lose the results of their economy and care. In my view it would be desirable to establish something in the nature of a sliding scale, as in the case of gas and water concerns, so that the whole cost of the advance is not put upon traders, and the whole benefit of reduction in cost is not allowed to traders, but should go in part to the railways so as to reward their economy and efficiency.

5424. *Mr. Abady:* I think what you have just said was something that you were anxious to say on your own personal behalf?—On my own personal behalf. It is not on behalf of the Federation. It is my own personal view.

5425. *Mr. Aworth:* Can you tell me how you would introduce the scale?—I am not in a position to do that. I merely throw that out as a suggestion that it might be worth this Committee's consideration that something in that nature should be done.

5426. You are not prepared to explain to us in practice how it should be introduced?—No, I am not prepared to do that.

5427. *Mr. Jepson:* Have not you anything in your mind? You heard what Sir Alexander Butterworth said with regard to the rates on the North Eastern, where those rates might fall within certain maxima and minima, according to the selling price?—In the equivalent case of pig iron?—Yes.

5428. Is it your suggestion for pit timber that there should be a sliding scale based on the selling price of pit timber?—That is not my suggestion at all. My suggestion is just this. I ask you to suppose that the costs of operating the railways have come down. Then the traders come along and say, "Your costs this year are 5 per cent. less than they were last year. We ask for 5 per cent. reduction in rates." Well, it seems to me that is obviously unfair. That reduction in costs might be due to more economical working or something of that sort, and it would not be to the advantage of anybody that the whole of that saving should go to the trader. On the other hand, suppose that the costs go up, I submit that it is hardly fair that the railway company should be able automatically to come along and say, "Our costs have gone up; find us the money." I am merely throwing out the suggestion in a general way that it does not strike the average man as being quite a fair way of dealing with the matter.

We want to give the railway companies inducements to economy, and I think the passing on of these charges automatically in that

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

way is hardly a proper way of doing it. I have not prepared any scale for showing you how it ought to be worked; but the Committee are far more able to do that than I am. I think it is a matter that I should like the Committee to consider, at any rate. Shall I pass on to the other points? The next is uniform rates. This is in reply to No. 2 of the questionnaire. We desire that the standard rates should be fixed on the principle of equal rates for equal mileage so far as possible, but we admit the necessity for modification in the case of sections of the railways, which either are costly to build, or are expensive to work on account of natural difficulties. These modifications should be by way of a bonus mileage.

5429. Mr. Jepson: Before you pass away from uniform rates, are you suggesting an alteration from the present practice as regards uniform rates in this respect? You had no differential maxima over different sections of the railway for timber. You may have had a bonus mileage for bridges or tunnels.

5430. That is what I was referring to—a bonus mileage for bridges and big tunnels. The Severn tunnel and the Runcorn bridge are cases which crop up to one's mind.

5431. The way in which it was dealt with pre-war was not unreasonable in your opinion?—Not unreasonable. It is quite reasonable. What we mean to say is this. Runcorn Bridge is a case which occurs to my mind. If there is any part of the railway which obviously would cost proportionately more than its length to build, any difference in that way should be got over by a bonus mileage. It seems to me obvious we should do it. Then we come to the cumulative principle which is referred to in No. 3 of the questionnaire. We do not believe that it will be possible to find any more satisfactory principle than that of the cumulative rate, but we urge that in all cases a journey should be treated as a single journey without reference to the number of railway systems over which the traffic passes. A table which I have prepared marked B shows the serious increase in the rates, which results from failing to treat every journey as a single through journey. I do not know whether you would care me to refer to that.

5432. Chairman: The railway companies have made a concession there, so that it is not so important as it was?—Exactly. Then may I take it the railway companies concede the principal generally?

5433. I think they do?—Thank you. Then there is no need for me to refer any further to that point. Then the disintegration or dissection of rates in the next point, which is referred to, is that No. 10 of the questionnaire. I wish to emphasize the great importance from the point of view of not only our own trade, but of all traders that it should be possible to tell from the distance table and the schedule of standard rates exactly what the rate between any two points will be. The railway rates should be dissected in the books of the railway companies showing the conveyance charges quite separately from station and service terminals. That applies equally to combined rail and sea traffic. The traffic of round timber well illustrates the difficulties which constantly arise otherwise. Round timber is carried at "measurement weight" in Class 1. That is the statutory class that it was put in. It is loaded by the railway and for that service a separate and distinct charge is made. Of course there can be no objection to that. But class 1 rates, as shown in the railway official rate books, always include a charge not only for station and service terminals, but also for collection and delivery. In the case of round timber this service is, in fact, never performed, except by special arrangement, and nothing, therefore, is chargeable for it; so that whenever it is wished to ascertain a rate for round timber it is necessary to make special application to the railway company, in order to eliminate from the figure in the official rate books the portion which relates to services which are not rendered, and for which, of course, nothing is chargeable. Very great trouble will be avoided in the future if the importance to the trader be remembered of (1) simplicity in the principle of fixing rates, and (2) the possibility of immediately ascertaining the rates for any journey. Very

much of the friction which has existed between traders and the railway companies in the past has been due to the mystery which has been allowed to surround railway rates. Their classification by value is the next point, which is referred to in the questionnaire 13 C. Our Federation wishes to urge strongly, as I have shown in Table A, which, with your permission, I will refer to in a moment, the cost of railway carriage is a large proportion of its delivered value, certainly more than 20 per cent. The effect of the increase in rates has been to put on round timber a higher increase percentage of value than is, I believe, the case in any other raw material. Round timber is charged at class 1 rates, whereas in the subsequent part of this enquiry it is hoped to show that it should more properly be classified with goods of similar character, at least in class B. If the rates for round timber are fixed without any regard to value, it will be altogether unremunerative to market a large number of the cheaper classes of timber. Round timber is a raw material, the products of which enter into direct competition with the goods produced abroad, largely in the United States, just as iron ore is in competition with iron ore from Spain, and anything which tends to decrease the production of timber in this country immediately causes further imports of foreign timber.

5434. Mr. Abady: Would you refer the Commission to Table A, and say what you want to say about it?—Table A is a table which I have prepared with a view to showing the percentage that the railway companies' charges bear on the value of round timber delivered to a merchant's mill. I have taken a few cases quite at random of traffic that has passed, and passed quite recently. In the first case you will see certain timber travelling 80 miles the cost on station was £231 1ls. 9d.

5434. Mr. Acworth: Is that what the merchants paid or does that include the carriage to the station?—That included cartage to the station, not carriage from the station.

5435. Mr. Jepson: Let us understand that. That says cost at station. That includes all the costs up to the time of delivery at Bloxwich Station. Is that what you mean?—No, Montgomery Station.

5437. Mr. Jepson: It is only to Montgomery Station?—That is the cost of sending to station.

5438. Sir John Simon: Does that include any profit?—No, it does not include any profit. That is cost of sending to station.

5439. Mr. Martin: Does that mean in the station yard or loaded on the wagon?—That means in the station yard.

5440. Mr. Jepson: That is if your firm bought these 35 oak butts at Montgomery, you have spent the £231 1ls. 9d. for the timber itself, and getting it on to Montgomery Station.

5441. Mr. Abady: Is that right?—As it happens in this particular case, I have very fortunately been able to turn up the actual bill. This is a consignment of oak trees which my firm purchased from another firm, a firm who had them on that station.

5442. Mr. Jepson: Who had them already delivered at Montgomery Station?—Already delivered at Montgomery Station. The bill shows that the amount we paid for those trees was £231 1ls. 9d. That is on Montgomery Station. As I have just happened to turn the paper up, there it is. (Invoice produced.)

5443. Mr. Jepson: You do not know what profit the parties you bought from had made on the transaction?—I cannot say.

5444. Chairman: Mr. Turner's evidence is that this is the value of the timber?—That is the value we paid for that timber on that station.

5445. He, as a buyer, gave what he believed to be not too high a price for it?—That was dated September 11th, 1919. Then I have here the railway company's bill for the carriage on that lot of timber, the identical lot, and it shows that a sum of £31

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

1s. had to be paid for carriage to Bloxwich Station on that timber, the distance being 80 miles. The next column is the calculation, on to-day's rates, that is including the increase of 60 per cent., and the flat rate of 1s., the cost would be £50.

5446. Mr. Abady: I will just run through these quickly so as to get them on the notes. The next item shows that the carriage on the old rates in percentage of the value of the goods on the station is 17 per cent.?—I think you will find that percentage is there calculated on the value of the goods delivered.

5447. I follow?—I think you will find that I have taken the cost on the station, and have added on the railway company's charges, and the percentage is the amount that the railway charges bears to the delivered value.

5448. That is 17 per cent. on the next consignment which you illustrate?—Yes, on the old rate.

5449. On the new rate, that would be 25 per cent?—On the new rate it would be 25 per cent.

5450. The next item you show is 10 per cent. on the old rate and 24 per cent. on the new rate?—That is so.

5451. The next one is 12½ per cent. on the old rate and 17½ per cent. on the new rate?—That is so.

5452. The next is 15 per cent. on the old rate and 23 per cent. on the new rate?—That is so.

5453. Then come three instances of traffic which have passed since the new rates have been in force, which shows that the railway rates are 25 per cent., 22 per cent., and 36 per cent. on the delivered value respectively?—That is so.

5454. Then you can pass from that table. Before you just leave that aspect of the case, you say in your proof that if the rates for round timber are fixed with any regard to value, it will be altogether unremunerative to market a large number of the cheaper classes of timber?—That is so.

5455. You heard what the Chairman said this morning about the breaking point with reference to further percentage increases?—Yes.

5456. Do you at this point want to say anything on that aspect of the matter?—Well, I do. I am fully aware that it is an excessively difficult thing to prove that you have reached the breaking point on these things. It is very difficult for me to say so or rather to prove that if any further increases are put on the round timber trade that you have passed the 'breaking point,' but I do urge and I feel most strongly that, having regard to the very high percentage that the railway rates at present bear to the value of the timber, the breaking point has been reached. In fact, I may say that our own firm have since the new rates have come into force, as far as possible, withdrawn their traffic from the more distant points. The second item, which is oak butts, from Savenake to Bloxwich, is rather a considerable distance, 112 miles. We have now ceased operating in that district simply on account of the excessively high rate which we are obliged to pay. I, therefore, suggest that, so far as round timber is concerned, that the breaking point has already been reached, even if it has not been passed.

Now I come to the question of preference, and I will go on with my proof, with your permission. The leading is, "Preference to imported timber." This is in reply to questionnaire No. 11 B. While it is recognised that there has been strict observance of the requirements of the Railways and Canal Traffic Act, 1888, Section 27 (1), prohibiting differentiation of home or foreign merchandise, it is yet a very serious grievance of the British timber industry that the existing rates have in fact operated to give a preference to imported timber. This relates not to the carriage of round timber, but to that of pit wood, and planks, boards and scantlings manufactured from native timber, as, excepting pit wood. little round timber is imported. In Table "C," which I will refer to later on, is shown a comparison of the rates in force prior to 15th January last between ports and inland centres. These rates, of

course, apply equally to native products and to the foreign article, but it will be understood that at least 99 per cent. of the timber coming from the ports is imported timber. The table shows that, comparing the rates between two inland centres with the rates between a port and an inland centre at an approximately equal distance, the rates between inland centres are in every case more by a considerable per cent. per ton per mile than the rates between a port and an inland centre. This in fact gives an undue preference to foreign imported products stimulating imports, and thus runs contrary to the national interest, which was never so obvious as at the present time. This is a point to which my Federation attach the greatest possible importance; it is mentioned here as a matter of principle, and will no doubt be considered in detail in the subsequent parts of the inquiry.

On that point my Federation consider that it is a matter of very grave importance to them. They desire to call very particular attention to that point. The Table which I would ask you to refer to, Table C, shows quite at random a number of rates taken between a port and an inland centre, and again between two inland centres and approximately corresponding distances. If that Table is analysed out, I think you will find that the difference between the rates charged on traffic originating at a port over that which is charged for similar traffic originating at an inland centre and passing to an inland centre is approximately 20 to 25 per cent. The cost of carriage in relation to sawn timber—and you will see that I am dealing with sawn timber at the present time—timber that is sawn square or rectangular is, at least, on an average journey, 7 or 8 per cent. of its value, and a difference of 25 per cent. on 7 or 8 per cent. means that the native timber trade is handicapped to something like 1½ to 2 per cent. on its turnover in these sawn timber rates alone. That we submit is a very great injustice to us, and it is a matter which creates a very sore feeling all round, and it is a matter, I think, which a proper recommendation from this Committee might remedy with a certain amount of success. I understand that proposals have been put before this Committee to get at the rates for the future carriage of goods, so that standard rates would be fixed. I take it that those standard rates would be an average approximately of the present exceptional rates which are in force. That being so, provided that those standard rates were applied impartially all round, and that sawn timber originating at an inland centre was not penalised at all, I think those standard rates would very well meet the case. We are not asking in any shape or form for any preference for native timber over foreign timber, but we are asking, and we ask most strongly, and I think with perfect justice, that we should be put, in all respects, on an equal footing with imported timber. Surely it is not asking too much. We ask that that should be carefully looked into and a provision made that in all cases we shall be on an equal footing with foreign timber.

5457. Chairman: Have you looked into these rates to see whether there are any conditions attached to rates from ports as to quality?—Yes, I am well acquainted with almost all the port rates, and there are conditions attached to them, 2-ton and 5-ton lots and that sort of thing, which conditions we should be perfectly satisfied to have applied to our inland rates as well.

5458. Then if, as we have suggested, tariffs should be adopted including a condition as to tonnage, you would be quite satisfied that that should be applied to inland as well as to port rates?—Exactly.

5459. And the same tonnage conditions attached to both?—Exactly.

5460. Mr. Acreworth: Do I understand that your Table C, so far as you know, is the same thing in both cases. It deals backwards and forwards in 2-ton lots in, Class C?—Not necessarily 2-ton lots. Sometimes it is 4-ton and sometimes 5-ton lots, but

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

speaking generally the conditions are the same. In fact, the conditions really favour the imported timber more than it shows there, because several of these rates which are in that Table for imported timber also include delivery and carriage.

5461. This is what I want to get at. Take Gloucester to Shrewsbury, for example, 10s.; that is imported timber?—No, not as imported timber.

5462. It very likely is?—As to 99 per cent. of it.

5463. Take Cardiff and Shrewsbury, that is pretty sure to be imported?—Well, as a matter of fact, it is imported, but the railway companies do not impose the condition.

5464. I quite understand that. Shrewsbury and Shiffield shows a rate very much higher for the same distance?—It does.

5465. Can you say that they are both from the same conditions of tonnage? Is it possible that the Cardiff rate is a minimum 4-tonns and the other is a minimum 2-tonns?—That may be so. One may be a 2-ton rate from Cardiff to Salop or a 4-ton rate—I am not sure. But I should say, speaking generally, the conditions would be the same.

5466. But you are not sure?—Not in that particular case. If you take my own station, which is Bloxwich, Liverpool to Bloxwich you will see is 92 miles and 11s. 2d. is the rate. Bloxwich to Wigan is 81½ miles and 12s. 7d. is the rate. I can assure you the conditions in those two cases are absolutely identical.

Mr. Averworth: That is what I wanted to get at.

5467. Mr. Abady: Your suggestion with respect to tariff scales applied to deals, battens and boards, in place of the present rates which are referred to in column 1 on page 226 of this book?—That is so.

5468. What are your proposals with respect to the other rates, most of which are based on the rates charged for deals, battens and boards? Do you propose to disturb them?—I should say they should be treated in the same manner as they are now. In the ordinary case they are a percentage above or below. Then the standard rate should apply, subject to this same percentage applying.

5469. Mr. Jepson: You do not include pit props in those general remarks of yours?—I should say, if you form your standard rates and you decide that timber shall be carried under those standard rates, then supposing that pit wood and actual machine wood is to-day carried at 10 per cent. under the deals, battens and boards rate, then I suggest pit wood should be in future carried at 10 per cent. under those standard scale rates. It would be in the same relative position as it is to-day. Referring again to the latter part of my proof, we suggest that, so far as timber, deals, battens and boards and sawn timber are concerned, there is no need for exceptional rates, that is to say, there is no need for anything below the standard rates which would result from the average of the present exceptional rates, if you take the present exceptional rates—find out the average that you will get for these exceptional rates, and say that is our standard timber rate. Then we suggest that you should leave it at that, and we can conceive no necessity, so far as the timber trade is concerned, for anything being granted below that rate.

5470. Chairman: I would like to call your attention to the fact, as other people may perhaps be taking the same view as you, that it is not necessarily the case that the tariff rates that were suggested would be the average of the exceptional rates. It would be the rate proposed after considering the exceptional rates, but it is quite possible that the fairest way to raise the necessary income for the railways would be by having a tariff rate above the average, although it would be below the standard rate—it would be above the average of exceptional rates and below the standard rate. The average of exceptional rates is no doubt very much reduced at the present time by reason of those which exist from water competition, and it does not follow, therefore, that the tariff rate would necessarily be the average?—No, but I take it the standard rate would apply impartially all round.

5471. Quite so?—The grievance that I am bringing before the Committee is the fact that we see foreign timber, in exactly the same form as our own native timber, going right by our doors, and being carried double the distance at a very much lower rate. Every time you see it it is a great grievance.

5472. Sir Walter Berry: Do you get round timber from abroad?—I am speaking now of sawn timber, not round timber—deals, battens and boards. There is very little round timber imported, except mining timber, pit wood. There is a vast quantity of that.

5473. Mr. Jepson: You have not given us an illustration of the kind in your table, but you can give us a concrete illustration of what you mean. Is it a question of competition of one port with another port which you are complaining of—for instance, Liverpool with Bristol Channel ports or something like that?—Well, that is asking for the explanation of why these low rates are in force.

5474. No, you say you constantly see things passing at very much lower rates. Can you tell me whether what you have in your mind is due to competition between ports—for instance, Liverpool and the Bristol Channel ports?—It may be so, but the instance that I have in my mind is round timber.

5475. I want you to deal with deals, battens and boards for the moment?—Well, we will say deals, battens and boards carried from Cardiff to Birmingham. They would be carried at a rate which would certainly be no more than would be charged from Hereford to Birmingham, and they would go right through Hereford, and the distance is about half way.

5476. What is the reason for that—causal competition?—It is rather difficult to say what the real reason for it is, but it is partly due to canal competition. I am not blaming the railway companies for this, because they cannot increase the Cardiff rate, or before they increase the Cardiff rate to Birmingham they have to prove that the increase would be a reasonable one, which is an exceedingly difficult matter for them to do—they cannot do it. I am not saying that the railway companies are to blame for this. I am saying that the system is to blame for it. But to touch upon the points as to how these rates arise, I think it is extremely probable that, in the old days, when there was in fact a great deal of competition between the railway companies, each railway company endeavoured by attractive rates to attract as much traffic for sea traffic to the particular port that it was interested in as it could. That seems to me to be what one would do under the circumstances oneself, and I suppose the railway companies did exactly the same thing.

5477. Mr. Davis: You object to the railway companies giving a preference for foreign timber as against the English?—That is so. That is exactly the point.

5478. But you do not want any fiscal tariff imposed as it were?—No, I expressly said we did not ask for any preference. We might ask for a preference, but I know this is not the Committee to come to and ask for a preference. That is another matter entirely.

5479. Mr. Jepson: Do you deal in pitprops at all?—No, I do not deal in pitprops. I have a general knowledge of the trade, but I do not deal in pitprops.

5480. You know prior to the war there was a very large quantity of pitprops coming from the north-east ports for your district?—Yes.

5481. You live in the middle of a colliery district?—Yes, I have bought them myself.

5482. They were mostly served by pitprops coming from Hartlepool and Hull and Garston and right throughout the North Staffordshire district?—They come from right throughout the North-East coast.

5483. You probably know there was a group rate from Hull and Hartlepool?—Yes, that is so.

5484. Do you suggest that should not continue in future, and that from Hartlepool, by reason of its greater distance off, there should be a higher rate than from Hull or Grimsby?—No, I do not. I think it is a perfectly fair thing to group certain ports together, provided you take the average distance of

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

the ports from the centre you are sending the traffic to. I think it is a perfectly fair proposition.

5485. I only wanted to know whether you wanted that done away with.—No, I do not object to that.

5486. Mr. Acworth: You have given an instance whereby you show that the rate from Hereford to Birmingham is practically the same as from Cardiff to Birmingham.—Very much the same rate.

5487. Is that common? I ask that because you have not given in your Table "C" any such striking instance as that?—I am speaking without the book at all, and I am going to take my courage into my hands, and I am going to get the rate book, and I am going to see what the rate really is. This is the rate from Birmingham to Wolverhampton. It will be interesting both to me and to you to know what the exact figures are. This is to Wolverhampton, Cardiff to Wolverhampton, deals, battens, and boards, 2 tons, 8s. 4d. That is what this book shows anyway.

5488. Does that give the mileage?—It gives the mileage as 159. I should not like to say that is correct. It just depends on which route they calculate.

5489. What is the book you are quoting from?—This is the Railway Rate Book, published by the Railway Shipping Journal Company, of 12, Cherry Street, Birmingham.

5490. It is not official?—It is not official at all. Of course, it is impossible to get the official rates.

5491. What is the distance given?—159.

5492. 8s. 4d.?—Yes, in 2-ton lots; that is what this book says, at any rate. I will take Hull, Hull, 4-ton lots to Wolverhampton, 8s. 2d.; the distance is given as 95 miles.

5493. Chairman: That is a good instance from your point of view?—I think that illustrates my point very well. I am not guaranteeing the accuracy of the book.

5494. Mr. Acworth: Give us one or two more of the same distance. Can you give us Monmouth?—Monmouth has no deals, battens and boards rate, but under the Class O rate which, in the absence of a special rate for deals, battens and boards, would apply; the rate to Wolverhampton is 13s.

5495. That would be two tons, of course?—The class rate is a two-ton rate. If you passed a consignment of deals, battens and boards between Monmouth and Wolverhampton in the absence of any special rate you would be charged 13s.

5496. Mr. Abady: What is the distance?—The distance is 87 miles.

5497. Mr. Acworth: Try Pontypool?—There again there is no special rate for deals, battens and boards. The Class O rate, however, to Wolverhampton is 12s. 3d., distance 95 miles.

5498. Would you be prepared to say, if you took Liverpool to Wolverhampton, or if you took Hull to Wolverhampton, the same kind of thing would happen?—I think so. We do not advance this matter as particular cases, but we advance it as a general proposition, that if you take the average, you will find that between two inland centres, we have to pay 25 per cent. more than we should if one end was a port.

5499. This is a great deal more than 25 per cent.?—Yes, obviously; it shows how moderate I am.

5500. What I was trying to get at is, taking what we have got in some detail as to Cardiff, whether you think you could give us something of the same sort if we took Hull, or Liverpool, or any other important port?—Yes, I think so. It might not be so great. Owing to the fact that it is rather a long distance and that there has been in the past—I am giving away my case, perhaps, by saying it—water competition between Cardiff and the Midlands, which does not exist to-day, the Cardiff rate may on that account be much lower than the average port rate.

5501. If we take Gloucester instead of Cardiff?—You would find it worse, if anything.

5502. The rate from Gloucester would very probably be much the same as the Cardiff rate?—Very much the same as Cardiff because, as you are aware, between the Bristol Channel ports and the Midlands, there is in fact to-day a considerable competition from water. I do not know whether it is effective to-day, but in the past it certainly was effective competition.

5503. Mr. Abady: Now you come to the question of measurement weight. That is your final point?—Yes. On the question of measurement weight, I think this Committee will observe that I have left it entirely alone. I would like to say that this is not because we have not got a lot to say upon that point—as a matter of fact, we have a great deal to say on the question of measurement—but because a special occasion will be provided for that to be said, so that my silence on the question of measurement weight will not, I trust, be misunderstood.

Chairman: That was not what I said. I said we would not take it without giving them an opportunity of being heard. Now they have asked for an opportunity of being heard, and are being heard.

Mr. Abady: I understand from your remarks that the question of measurement weight would be considered on classification?

5504. Chairman: No. What I think I said was that the Committee certainly would not take it without giving the timber people an opportunity of being heard?—Well, if you wish to hear me on it, I can deal with it.

5505. Chairman: I would rather, now that we have the timber people before us, that it was dealt with at once?—I will do my best.

5506. Mr. Abady: I am sure my witness is prepared to give you the views of his federation upon it?—Well, as a matter of fact, I have prepared some points to bring before this Committee on the question of measurement weight; but I did not expect to bring these before you to-day; only I am perfectly willing to do so, but I feel my case may suffer a little on that account, because I was not really prepared. However, we will make the best of that. On the question of measurement weight, may I say this: Round timber in this country is, in practically every case, bought by measurement. The only exception worth mentioning is pitwood, which is sometimes bought, carried, and sold by weight, chiefly in South Wales. You will observe that I am not dealing with Scotland. Our federation does not deal with Scotland, and I have no knowledge of the conditions which obtain in Scotland. Therefore, I leave the Scotch people to speak entirely for themselves. The great bulk of round timber in England and Wales is not only bought by measurement, but it is felled by measurement, and hauled to the station by measurement. At present it is carried on the railways by measurement, and it is sold by measurement. If it is cut up in a saw mill the products, with the solitary exception of firewood, are also sold by measurement. In fact, it will be readily seen that this is the only possible method of dealing with timber, and for the railway companies to introduce into the middle of this chain a new and entirely different system will surely be disastrous to the trade. I would point out that, all through the process of handling timber, from the time the trees are growing in the wood to the time it is delivered to the builder, wheelwright, wagon builder, or other consumer, its weight is never once ascertained, nor is it of the slightest interest to any of the parties manipulating the timber. In short, the question of the weight of native timber never enters into the calculations of its owners at any stage of the proceedings. I would point out that the cost of railway carriage on round timber is the most expensive single item entering into its final cost. I propose showing, later on, that the cost of railway carriage on round timber alone at the present time is about 20 per cent. of its delivered value. I would point out, that to compel traders to have their timber carried by a system of actual weight would mean that the most expensive single item in

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

the cost of the timber (which I state amounts to 20 per cent. of its value) would be an item which it would be impossible to fix at any particular figure. The costs would vary, and traders would have no means of knowing what the cost would be, and when all is said and done, it is very questionable whether any advantage to the railway companies would accrue. I would ask you, when considering this point, to bear in mind that a timber merchant, or saw-mill owner, or a timber user never thinks of timber in terms of "tons." The question of weight of timber is of the slightest interest to him. Timber is always thought of in terms of "cubic feet." I would further point out that the custom of the trade in dealing with timber by measurement weight, and the custom of railway companies in carrying round timber by measurement weight, is probably as old as the custom can be. It is impossible to go back to the time when timber was bought and sold by any other method than that of measurement, and it is impossible for the railway companies to point out any period of their history when they carried round timber by any other method than that of measurement; in fact, it has been carried by that method ever since the railways were built. I wish also to point out that we believe it is practically impossible to ascertain accurately the weight of round timber. It cannot be weighed on trucks as loaded, as it usually extends over two or more trucks, and this cannot be accurately weighed in existing weigh-bridges. Besides this, many long timber wagons, extending up to 30 feet in length, are in use, and there are very few weigh-bridges at present existing which will accommodate these vehicles. I do not want to labour that point. I am perfectly aware that if the railway companies set themselves out to take timber by actual weight, and the method of ascertaining that weight was in question, there are ways and means of finding out what the actual weight is, but we say that is unnecessary and most inconvenient, and that it will place us in the position of having interposed in our chain of processes in dealing with round timber, a system which we cannot quite gauge the cost of, and we submit, therefore, that the present method, which has stood the test of time, and has been always in force, is the proper one to be continued.

5507. Does the system of measurement weight, in your experience, give rise to disputes with the railway company? Is there any particular reason why it should be altered?—No; I do not think so. The railway companies ascertain by their own means the contents of timber as it is loaded. Although some disputes may possibly arise, yet I do not think there is anything of importance in that way.

5508. Provided the proper ratio is fixed between volume and weight, there is no reason why the measurement weight should mean that the railway companies do not get a proper rate for what they carry?—No, none whatever.

5509. Sir Walter Berry: Are you charged by gross or net measurement?—We are charged by a system of measurement which is known as tape over bark, 144 divisor.

5510. That is gross?—That is gross.

5511. Mr. Jeppson: Or string under bark?—The strictly legal measurement is by string with an allowance for bark, and 113 divisor; and the railway companies state that they retain the privilege of charging for the bark, if necessary. They are under an obligation to make an allowance for the fact that the tree may not be perfectly round. There are two methods of measurement referred to, and it is a very complicated and technical question. I do not know whether I need go into that now, but I will if you like.

5512. No, I should like to hear from you as to whether you suggest the arrangement which has been in force for so many years which you described, 144 divisor with tape over bark and 113 divisor with string under bark is the most satisfactory way at the present time of measuring timber, because you know it is provided in the Rates and Charges

Orders Act that the cubic measurement of timber shall be ascertained by the most accurate method for the time being?—Yes, that is right.

5513. If the railway companies could show you that there was a more accurate method than that which was adopted 20 or 30 years ago you would fall in with it, of course?—I want to be very careful on that point. It is a very awkward point. The most accurate mode of measurement as defined by the Law Courts is 113 divisor with string under bark, with an allowance for bark and certain other allowances. But it is found in practice, both by the traders and the railway companies, that that system is unworkable. It means this. It is perfectly accurate provided your timber is perfectly round, but the minute you get a tree out of the round, slightly oval or anything like that, then you get away from accuracy straight away. So, as a matter of fact, it is found by the traders and by the railway companies generally, that for practical purposes the proper method of measurement is by tape over bark, 144 divisor. In that connection, I should point out that the railway companies always buy their own round timber—they are very large buyers, much the largest buyers of timber in this country—by that method, and the Government adopt the same method, and it is almost universal now. I should suggest that it should be laid down definitely that the proper method of measuring round timber should be by tape over bark 144 divisor. I do not allege that the 144 divisor is correct. I want to be perfectly clear on that. It is not correct. Neither is 113 divisor, unless you get a mathematically round tree which you never do get. But I suggest for ordinary purposes 144 divisor with tape over bark is as accurate a method as one knows, considering all the circumstances of the case.

5514. Mr. Aworth: Do I understand you to say that there are practically no timber merchants in England who ever consign round timber by actual weight?—No, you must not understand that. You must understand 95 per cent. of the round timber in England and Wales is forwarded by measurement weight.

5515. If you choose to consign by actual weight, you could consign Class C instead of in the first class?—Yes, I suppose as a legal matter of fact you could. I have never tried it myself, but I suppose that is so.

5516. Clearly you must get a very considerable advantage so as to induce you to pay the higher rate. Can you give me an idea of how much actual timber you send to the measurement ton?—Clearly you send a good deal more than is saved on difference in classification?—The classification gives 40 feet oak, mahogany, ash, beech, or hard woods as equal to a ton, and 50 feet of fir, poplar, larch, or other soft wood is to be deemed a ton. I admit quite frankly to you that that weight is not correct.

5517. Clearly you get an advantage?—Yes, I am perfectly candid with you that there is no doubt we do, but we pay very dearly for that advantage by being placed in Class 1. That is our argument.

5518. Clearly from the fact that you are ready to pay all this additional rate, presumably you get a good deal more than a ton for your money. Can you give me an idea how much you get?—Do not misunderstand me. You must remember there are very serious difficulties in ascertaining the actual weight. Supposing I have got some timber that has been lying about, while I am pretty certain that it is going to be cheaper for me to send it by actual machine weight, as a practical matter, I could not do it, because there is no method of ascertaining it.

5519. Never mind that, but just give me the answer if you can. On the average, what number of hundred-weight do you think goes under the name of a measurement ton?—May I express it in my own way? What you want to know is this: Oak is to-day carried at 40 feet to the ton. How many feet, as a matter of fact, would it weigh to the ton? That is the point, is not it?

5520. Yes.—I should say that varies very much indeed. It is a point that has to be gone into very

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

closely, but I should say on an average somewhere between 32 and 34 feet of oak, tape over bark measurement, 144 divisor, would weigh a ton.

5521. Then you get an advantage of about 13 per cent., or something like that?—I agree.

5522. Now, take fir. Fir goes 50 feet?—Fir goes 50 feet to the ton. I weighed some fir the other day, and by measurement tape over bark and applying 144 divisor it is about 42 or 43 feet to the ton; but it varies very much according to the age of the timber.

5523. But, roughly, it is much the same sort of advantage as in the case of oak?—Yes.

5524. Lord Lovat told us that in Scotland the measurement is actual machine weight.—I believe so; but I have not any personal experience of what happens across the Border.

5525. Do you know whether there is in practice any difficulty found in Scotland in doing that?—The round timber trade is so entirely different that you cannot compare the two. Our trade in England, if I may occupy the Committee's attention for a moment upon this, very largely consists in the heavier hard woods—large trees like elms, large elm logs up to 200 feet, and large oak trees and big timber generally, whereas in Scotland it is quite a different proposition. You are dealing with fir, coniferous forests, and they are cut off into lengths and put into trucks.

5526. The traffic is not large?—It is not large. It is in shorter lengths, but the difficulties of weighing in this country make it quite a difficult proposition.

Cross-examined by

Sir JOHN SIMON.

5529. I quite understand your position, and in the same way I am only going to put two or three questions about it to be sure that we understand one another so far as you feel able at the moment to make a final statement. First of all, I presume you would not complain, assuming that the rate is a fair rate, if you are asked to pay the rate upon the right weight?—You are asking me now personally, of course?

5530. I am.—You see the difficulty I am in. I did not think that the question of measurement weight would be talked about or argued about, and consequently I have not been able to go to my Federation and get from them their careful and considered opinion. But, speaking personally, as a timber merchant, provided that you meet us in respect of classification, we should certainly raise no objection to the actual number of feet per ton being approximately correct.

5531. I quite follow you. You are concerned to be sure that the charge is a fair and proper charge?—Per cubic foot.

5532. But, assuming that the charge is a fair and proper charge, I suppose no traders would object to paying the charge upon what is the right weight?—No, certainly not. All we ask is for the measurement weight as a principle.

5533. We will come to that in a moment. The next thing is this. You know, do not you, that in the enquiry which Lord Balfour of Burleigh presided over in the nineties, this question was discussed and in the Rates and Charges Order there is a provision about it. It is in the Act of Parliament?—Well, I cannot really carry my mind back to that enquiry. It came a little before my time.

5534. Your statement is very nearly accurate. The provisions you will find in the Charging Order under Clause 18. It is a provision that when timber is consigned by measurement weight 40 cubic feet of oak, mahogany, teak, beech, greenheart, ash and so on, and 50 feet of poplar, fir and so on, other than deals, battens and boards, may be charged for as one ton. Then it goes on to say: "The cubic contents of timber consigned by measurement weight shall be ascertained by the most accurate mode of measurement in use for the time being."—I am quite familiar with that.

5535. The position was that, was not it, that, before 1892, there had been a practice of using 144 as the divisor?—Yes.

5527. Mr. Abady: Whether the measurement weight is in fact accurate or not, the figures that you have given showing the high percentage that the carriage bears on the value are the result of consigning by measurement weight?—That is so.

5528. Mr. Abady: On this question of measurement weight, I do not know whether my witness has been able to deal with the matter satisfactorily from the Federation point of view, but I would like to point out that a letter was addressed to the Federation informing them that they would be heard on general principles, and that the questions of measurement, weight, classification, and actual rates should be reserved till a later date, so that if it is felt that anything further should be said no doubt you will give us another opportunity?—I am sure you will allow me to say that on this question of measurement weight, I have spoken quite on the spur of the moment. I had not any idea that I should be allowed even, or required, to speak on the question of measurement weight. My observations have been made on the spur of the moment, and I may have stated points on which my Federation will disagree with me; but I have stated the case to the best of my ability, and I ask you to excuse me if there is anything wrong.

Chairman: You made a very clear and admirable case. We will see whether the railway companies dispute it.

Sir JOHN SIMON.

5536. If I remember the calculation aright it is this. You take the length of the timber in feet?—Yes.

5537. You multiply it by the square of a quarter of the girth in inches?—That is right.

5538. And you divide it by the divisor, which used to be 144?—Yes.

5539. Supposing it is 40 inches, then a quarter of the girth will be 10 inches, and the multiplication will be 10 multiplied by 10, equalising 100; then, multiplying the feet by the square of a quarter of the girth in inches, dividing it by 144, you get the figure?—That is quite correct.

5540. It was sought to be shown before Lord Balfour's Committee that to divide by 144 was, in fact, too favourable to the timber merchants?—I do not know. I could not say that. That is not within my personal recollection.

5541. But, as to the 113 divisor, of course, being a smaller figure to divide by you get a bigger result?—Yes.

5542. One hundred and thirteen divisor was at that time suggested as a better divisor?—Well, it may have been, but it was not settled, anyway.

5543. That is quite right. Then, after the Inquiry of 1892, I think there was a discussion—I will not say there was a controversy?—There were law cases over it.

5544. Very likely—that is one form of controversy?—You may as well say so.

5545. Finally, the round timber people were "squared"?—I do not know. I wish you would square us; but you do not seem to do much in that way.

5546. For the time being, the railway cases went back to 144?—We have been measuring by means of the divisor of 144 for some years, but I do not think your explanation is quite right. At the same time, it is near enough.

5547. It will not depend on what I suggest for the time being or on what you say?—No.

5548. I only want to convey to the Committee what I understand the position to be. You and Mr. Abady will check it afterwards?—Yes.

5549. Sir JOHN SIMON: The decision which this gentleman refers to was a decision in 1901, the Great Western Railway v. Lowe, reported in 11 Railway and Canal Traffic Cases at page 152. The decision was, "That the most accurate mode of measurement in use, of the cubic contents of round

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

timber consigned by measurement weight, is measurement by string under bark, with a divisor of 113."

*The Witness:* That is right, but you have not read quite all the decision. Is not there something else? I think what follows is the most important point—I am sure it is.

5550. By all means let us read it all. "That the most accurate mode of measurement in use, of the cubic contents of round timber consigned by measurement weight, is measurement by string under bark, with the divisor of 113, with reasonable allowances for any irregularity or defect in the shape of the timber measured."—That is what I want to point out.

5551. That would be in favour of the timber merchants?—Yes, very much. You lose all the benefit of the judgment by that one point alone, in my opinion.

5552. Because of the irregularities and defects?—As I pointed out, if you take a perfect sphere, there is no doubt your 113 is perfectly correct, but if you start to compress your sphere, and you get, say, an oval, you get the same quarter girth, but you get a totally different area—the area decreases. In fact, if you squash it up altogether you get no area at all, and yet the same girth.

5553. Do not you think, perhaps, the moral of all that is that if it is practicable to find out the actual weight, that would get rid of all the disputes?—No; the way to get rid of disputes is to lay down a definite method of measurement. If the Committee which made this inquiry in the nineties had said the proper method of measurement of round timber is by tape over bark, 144 divisor, or any other method that it had adopted, then there could have been no disputes.

5554. So long as you and the Committee understand that the railway companies suggest, as Sir George Beharell did, that the best plan will be to find out the actual weight, then the matter can be adjusted?—That is your point; but we are quite at issue on that point.

5555. You will agree with me the present methods of measurements in use do in fact result in the timber trade getting heavier weights carried than they pay for?—I quite admit that.

5556. I have one or two which have been given me not as extreme cases but taken, I am told, to try and get fair instances. I will give you one or two and then you will see whether we agree. I see, for instance, beech actually measured at Pampisford on the 15th June of this year—this is a very convenient one to work out the calculation on—17 feet long, quarter girth in inches, 17 inches; one has to square the 17 inches, that will be 289 inches, multiply it by 17 feet, that is 17 cubic feet, that will give you 4,913, divide it by 144, that will give you 34 something. That is the calculated weight by measurement, which gives one, I think, 1 ton, 7 cwt., 2 qrs. We weighed it to see, and it turned out to be 2 tons, 1 cwt. 2 qrs.

*Sir Walter Bury:* Was it green timber?

5557. *Sir John Simon:* I will find that out. I do not know, but no doubt those who took the measurement would record it. That is an excess weight of machine weight over measurement weight of 49 per cent?—Yes.

5558. I have instances much above that?—That proves that that particular piece weighed 20 feet to the ton, or a little more than 20 feet to the ton, but it does not prove it was an average. It might have been a piece which was quite fresh-felled.

5559. Let us be clear about this. If your Association thinks that going down and taking fair averages along with us, you will get as many cases in which you have been paying too much as cases in which you are paying too little, we will find it out, but we have measured a lot and we have not come across any—in which you have been paying too much?—No, perhaps not. But we believe we pay for that in the rate.

5560. I think you said just now in the case of oak—you put it very fairly—that as a rule you thought you got about 40 feet oak carried where on a strict

weight basis it would be something like 32 or so feet?—That is my opinion.

5561. That is quite fair. Then it comes to be a question of which is the more practical method?—Exactly.

5562. *Chairman:* It is agreed, is not it, that the timber trader pays for it by Class 1 rate instead of Class C?—Yes.

*Sir John Simon:* It may be put the other way. I should have suggested to the gentleman for the consideration of this Association that, if there is a practical way of arriving at the actual weight, and if the Committee decide what is the fair charge, probably the best course is to avoid all disputes by paying on that basis, whatever it is.

*Chairman:* The argument you have to meet and the argument against you is first that there is great difficulty in weighing, and on that you are going to give evidence, and that it is the universal custom in respect of timber always to deal by measurement and not by weight.

*Sir John Simon:* Yes, it is entirely a practical matter. It is not one which I can usefully argue with the witness. We will call a little evidence about it. He has been entirely fair and clear about it.

*Chairman:* I thought he was particularly fair.

5563. *Sir John Simon:* I have not the slightest complaint, but I only wanted to bring up the point. Now, on the other part of your evidence, I understand you are speaking on behalf of the home-grown timber merchants?—That is so.

5564. It is none the worse for that?—No, it is all the better.

5565. But, in the nature of things, your special experience and perhaps your natural sympathies with the home-grown timber trade are against those who are dealing in imported timber?—Well, I am speaking here, and my evidence has been given entirely on behalf of the home trade. At the same time, I am perfectly well acquainted with the foreign trade.

5566. Take your Table A for a moment. It is the fact not it, that more home-grown timber is passing to-day than before the war?—Yes, considerably more.

5567. So that you are not ruined yet?—No, but I see the new railway rates of 60 per cent. advance only came in in January, and it has hardly had a chance to ruin us yet.

5568. You are like an eminent historical character; you take an unconscionable time in dying?—I do not know. It is only since January 15th. It is not a very long while for a lively trade to die.

5569. Substantially more home-grown timber, as contrasted with imported timber, is passing to-day than used to pass?—Yes.

5570. Is the price of home-grown timber to-day substantially larger than it was before the war?—Yes.

5571. Taking your Table A, cost at station, you say 35 oak bats at a date in 1919 were £231 1s. 9d. What would be the pre-war price of corresponding timber at station. What is the kind of difference?—You are asking me a very difficult question.

5572. That is what I am here for?—I know that perfectly well; but there is an individuality about timber. It is not like pig iron. If it were a question of pig iron, you could say how much was that pig iron worth before the war, and what is it worth now, and you could be told; but one puts a parcel of timber on its individual merits.

5573. I see that?—You can see my difficulty. I admit, and I expect this is what you want to get at, that the price of timber is very considerably more than it was in pre-war days.

5574. I want to give a round figure to you which I am suggesting out of my own head. I should not be speaking unfairly to you if I said that that timber before the war would not have cost £150?—I should hardly like to pin myself down to any figure.

5575. That does not shock you?—I will admit that timber is worth considerably more than in pre-war days.

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

5576. Per cubic foot, speaking broadly, I suggest 50 per cent. more. You were in the trade before the war?—No, I do not think it is 50 per cent.; perhaps 30 per cent. or 40 per cent.

5577. *Chairman*: To the retail buyer it is a great deal more than 50 per cent.?—Yes, but the expenses in conversion are where it goes up.

5578. *Sir John Simon*: I am only trying to get the point for the Committee. I am not seeking to buy any timber?—I quite understand that. You had best keep out of the market.

5579. That means this timber, on that view, may have cost £180. Taking that figure, cost at station at an earlier time, then if we add 40 per cent. to £180 that will bring us up a little bit over this £230?—That is so.

5580. So that the position is that the cost of the timber before it starts by train and the price it ends at is about 50 per cent. more now than it used to be?—Yes.

5581. Let us see what the addition to the railway rate is. The addition to the railway rate is from £30, I gather, to £50, leaving out the pennies?—Yes.

5582. So that the real position is that everything has gone up; the prime cost has gone up, as we see, perhaps 30 to 40 per cent., and the railway rate is increased in the way we know, with the result that, instead of the railway company's charge being 12 per cent., the railway charge is now 17 per cent.?—Yes.

5583. That is the question?—That is the question, but I think you ought to remember we were so much overcharged before.

5584. In that respect, that is not confined to timber merchants?—No.

5585. Everybody has been overcharged?—Certainly in our case it is more gross than in other cases.

5586. There is just this point. I would like to follow on your Table "C." I cannot usefully spend time about it in detail, but we must be careful to see what the explanation or the circumstances may be. We quite accept it in the meantime that you have endeavoured to get fair figures?—I have endeavoured to get fair figures. There may be errors in it, but they are not intentional in any way.

5587. I am quite sure of that. Let me take two which are very much alike, Liverpool to Buxton, and Buxton to Wigan. Is the traffic from Liverpool to Buxton in timber a great deal more than the traffic from Buxton to Wigan?—No.

5588. You say no?—No, if I might answer your question in detail. The traffic from Liverpool to Buxton during the last 3, 4 or 5 years is not appreciably greater than the traffic from Buxton to Wigan.

5589. You think it would be about the same in volume?—I think the Buxton to Wigan traffic would be slightly the greater. I do not think there would be an appreciable difference.

5590. That is fair enough. Do you mean before the war you think that the conditions would be otherwise?—Well, they might have been otherwise. You have instanced that one case, and I will follow it up.

5591. I take it because it is an instance you know about.—It is. We have several very large customers at Wigan. It is my firm who consigns this traffic. Those customers we were not supplying with stuff before the war. It has been during the war that the traffic has passed to a large extent.

5592. I am not speaking of sea competition round the coast, but there is some canal competition called the Shropshire Navigation?—Yes, the Shropshire Union it is called, and that is controlled by the London and North Western Railway Company.

5593. Is it?—Certainly; the London and North Western Railway Company guaranteed the Shropshire Union 4 per cent. in perpetuity on their share capital.

*Sir John Simon*: I am not sure that that is the same thing.

*Mr. Jepson*: I do not think that is quite correct.

5594. *Sir John Simon*: I do not think it is.—At any rate, it is controlled by the North Western, is not it?

5595. I am not sure about that. If you guarantee me 4 per cent. on something or other, you do not

control me. I am not concerned about the arrangements between one company and another, but there is, in fact, canal connection between Liverpool and Buxton?—Exactly.

5596. I should have thought that timber in your experience has passed very freely by water.—No, I do not think there is much traffic passed by water.

5597. You have no objection to timber being carried by canal?—No.

5598. If they can do it cheaper?—Of course there would be no good in my objecting to it.

5599. No good at all?—Not a bit.

5600. I suppose your real interest is that there should be maintained honest competition between the water route and the railway route. That is the best for you?—We cannot object to that competition—certainly not—I do not object to it.

5601. From the trader's point of view it is usually better?—It usually is, though I cannot quite see why the railway companies are so keen to have that competition carried on all the time.

5602. Do you suggest they should shut up the canal or the railway company?—Really, it is not for me to suggest what they should do at all. I do not suggest that they should do at all. I can quite understand your point. You say that there is competition between two points, and we require to be able to meet that competition.

5603. That is it?—But, as I say, as a matter of fact, that you want to prove there is really sea competition.

5604. I quite agree. I am not asking you to admit that, because it would not be fair to do so, but I want to call the Committee's attention to what may be a point.—It may be a point.

5605. Apart altogether from sea competition, we have to consider in some cases how the matter stands in contrast with canal?—Yes, but the Committee will have to consider the fact that that competition is no longer effective at the present time.

5606. That again, as a matter of fact, will have to be looked into?—Exactly.

5607. *Mr. Jepson*: There are by-carriers on the Shropshire Union Canal?—There are.

5608. They cannot be controlled by the railway company?—That is so, but the railway company have control of the permanent way, so to speak, and has got its thumb on it.

5609. They are only toll takers for the by-carriers?—That is so.

5610. *Sir John Simon*: I notice that you have given us some figures from Sunderland to Nottingham, and from Gateshead to Nottingham?—Yes, duplicate practically.

5611. Gateshead is just opposite Newcastle?—Yes.

5612. I notice the rate is exactly the same through rate?—Probably a group rate.

5613. I should think so. In principle, do those you represent for see any objection to group rates for timber?—None whatever.

5614. It would not surprise you to learn that the rates from the North-east ports for timber are likely to some extent to be controlled by the Hull rate?—Well, the rates you have mentioned, Sunderland to Gateshead, I do not think are grouped with Hull.

5615. They may not be exactly the same figure, but you would expect the rate from Hull as being the nearer port to the middle of England to be less than from Sunderland to Gateshead, which are further off?—It would influence them, but they are not in the same group.

5616. I am not saying they are, but you would not object to the principle of rates from a more distant point being influenced by the fact that the rates from a nearer point were low?—I do not think I can admit that. I think, having got your standard rate, you really ought to apply them all round, and if a port is more distant, it ought to pay more money; and there is an end of it.

5617. *Chairman*: The Scotchmen will not be pleased with that view?—I am sorry, but I have given you

22 June, 1920.]

MR. ALFRED TURNER.

[Continued.]

my own view. I am doing so with perfect candour, and there it stands.

5618. *Sir John Simon*: You provoke me to ask you this. Have you ever asked a railway company for an exceptional rate from Bloxwich?—Yes, we have.

5619. Bloxwich is in the middle of England?—That is so.

5620. Have you ever got an exceptional rate from a railway company from Bloxwich?—Very few. I would not say we did not get some.

5621. What are the arguments which you put forward to the railway company to get them to give

you an exceptional rate from Bloxwich? Why should Bloxwich in the middle of England get an exceptional rate? What is the agreement for it?—That is what the railway company say—why should we give you an exceptional rate?

5622. I feel sure you have an answer for that. What is it?—It is very difficult to give an answer to that.

*Sir John Simon*: Then we must imagine what the answer is.

Re-examined by MR. ABADY.

5623. On the question of exceptional rate, your point is that you want absolute equality?—We want absolute equality. We do not want any preference at all; we do not ask for it, and we ask that it shall not be given to other trades.

5624. You quite admit that while there are facilities for exceptional rates, you, as a commercial man, would only be anxious to take advantage of them for your own benefit?—Yes, as long as the system in force invites us to apply for special rates we should do so.

5625. On the question of measurement weight, just see if I have got your point correctly. Where it is tape over bark you use a divisor of 144, and where it is string under bark you use a divisor of 113. If you take the string under bark and use the divisor 113 that is only accurate if the timber in fact is circular?—Yes.

5626. On the other hand, if you take the tape over bark and you use a divisor of 144, then you have debited yourself with an area which includes an area of bark?—Yes.

5627. Which weighs very much lighter than does the rest of the tree?—Very much lighter indeed.

5628. That gives an advantage to the railway company?—It adds very considerably to its advantage.

5629. In fact, the difference between the 144 divisor and the 113 divisor is this, is it not? You take the quarter-girth and you multiply that by 4. The quarter-girth is the equivalent of the diameter, and you multiply by 4 in order to get at the surface area of the thing which you are measuring?—Well, the whole object is to get at the surface area—to get the surface area is what we want.

5630. If the surface area you are measuring was square or rectangular, 144 would be absolutely accurate?—144 would be absolutely accurate, if it were square.

5631. If it were circular 113 would be absolutely accurate?—Yes.

5632. 113 is the multiplier in the one case and 144 in the other. The figure you reduce from the square, in relation to square feet, is by 7854, which is the multiplier for finding the area of circular surface. That is right, is not it?—Yes.

5633. That is to say, if it were round you would have to get the quarter-girth multiplied by length, and then you would have the feet multiplied by square inches, and you would have to divide by 113, in order to get the cubical contents of an assumed perfect circle?—I think you can put it in this way. If you get the perfect circle, 113 divisor is correct. If you get a perfect square, 144 divisor is correct. We say that round timber runs somewhere between circular and square, and so it is neither.

5634. But taking the tape over bark includes the bulk?—Yes, which weighs about one-third of the timber in bulk.

5635. That is the point?—That is the point.

*Mr. Clements*: I am instructed by the Timber Federation of the United Kingdom to say that they would desire to be heard on this question of measurement weight, and also on the question of exceptional rates. They have been in correspondence with the Secretary of the Committee, and they were under the impression that the question of measurement weight would not be taken at this stage of the Inquiry.

*Chairman*: We tried to keep the timber trade from coming here at all, and we said if they thought right not to come at this stage we would postpone that question, but when they wanted to come and deal with the matter generally, then we thought that they would deal with everything at the present moment. However, if it is inconvenient to deal with any important matter, we could fix another time.

*Mr. Clements*: I am afraid they wish to be heard,

(Adjourned for a short time.)

*Sir John Simon*: Would it be convenient, Sir, that I should tell you now the view which the railway companies on reflection have formed on the question as to truck load quotations? You will remember that in the shorthand notes, first of June 10th, at page 7, and then on June 17th, at page 20, Sir Alexander Butterworth explained a suggestion which the railway companies had in mind, aiming at this object that the quotation should rather be for a truck load than for a number of tons or a lot consisting of so many tons. Then, more particularly, on June 17th, at page 20, both you, Sir, and, I think, Mr. Acreworth, put some questions ventilating that, and pointing out that it looked as though the trader would be at the disadvantage that he would not know whether he was going, in fact, to get the proposed facility of the advantage of the lower rate or not. The conclusion to which we have come is this, if I may read it: The railway companies appreciate the points urged by the Chairman and other members of the Committee in reference to the necessity of allowing for cases of overlap and small wagons. They feel that their proposal to charge on the basis of minimum truck load is not compatible with making such allowance, and they therefore ask leave to withdraw their proposal,

and will proceed on the basis of quotation per lot, or per consignment. We feel ourselves overborne by the practical criticisms that were given. There are a number of quotations on certain railways based on truck loads, and these it is not proposed to disturb. There are a few arrangements actually existing now. On one railway which has very large trucks there is a quotation which is on the well-understood assumption that a truck of that size is available, and we think that the trader would prefer not to alter that. Otherwise, certainly the criticism pointed out is one which is perfectly justified on analysis, and therefore we must return to the idea of quoting, not per truck load, but per minimum quantities.

*Chairman*: Would you propose in that case to have several quantities—that is to say, a two-ton lot, a four-ton lot, a five-ton lot, and an eight-ton lot?

*Sir John Simon*: It would depend upon whether as a practical matter traffic might be expected to be tendered in such quantities.

*Chairman*: Obviously. On the other hand, the railway companies are seeking to get as economical loads as they can. It may be to their advantage to quote a bigger lot if they felt confident that they could provide the necessary trucks. I mean, if they

22 June, 1920.]

[Continued..]

saw their way usually to be able to carry an eight-ton load it might be well worth their while to quote an eight-ton rate and take the risk that occasionally they might not have the necessary trucks; but it would be for the railway companies to make up their minds whether the advantage they are getting of favourable loads, bigger quantities, outweighed the risk of occasionally having to provide two tracks for a one and a half truck load.

*Sir John Simon:* I do not understand that my instructions are that we should advise the Committee that there should be an obligation on the railway company, in every case in connection with every commodity and from every station, to quote all those variants; but, of course, we will call a goods manager to tell the Committee what he thinks is a practical plan. I thought for the moment I discharged my duty if I said that, in answer to the poser which was put to Sir Alexander Butterworth, we have to confess ourselves defeated.

*Chairman:* Very good. If the railway companies are quoting exceptional rates in future, as it seems they probably will be able to do, it may be that one of the exceptional rates they will quote will be for an eight-ton lot, or something of that sort, because they consider it is one they can economically handle.

*Sir John Simon:* No doubt such a thing is possible; although it is one thing to say they will do it by arrangement with the trader and quite another thing to say there may be a statutory obligation.

*Chairman:* Quite.

*Mr. Aeworth:* May I put to you one question, though I do not want to suggest that it is a poser? As far as I understand the meaning of your statement, it is that the railway companies propose, in effect, to revert to the pre-war practice with all its concomitant extravagances of working.

*Sir John Simon:* I hope there will not be any unnecessary extravagances of working; but we were faced with a problem we cannot solve. We could not recommend that we should bind ourselves to provide for a trader in all cases the truck which he found mentioned in the rate book; it would include providing such a truck at a wayside station; it would include making sure that in someone's works, which contained a great accumulation of trucks, such a truck was available. We do not see our way to do that. And feeling our difficulty we say, by all means secure economical working, but as regards quotation we must quote having reference to the minimum rate.

*Mr. Aeworth:* I understood your statement to mean that, broadly, you will preserve the pre-war arrangements.

*Mr. Jepson:* Practice?

*Mr. Aeworth:* Yes.

*Sir John Simon:* Yes, as regards quotations.

*Mr. Aeworth:* I do not suppose any of the goods managers will come and tell us that, in the public interest, it is desirable to carry 2-ton consignments.

*Sir John Simon:* Of course not. It is always an advantage to encourage the trader to send a large quantity at once.

*Mr. Aeworth:* And you do not see your way to secure anything to that end which you think is desirable in the public interest.

*Sir John Simon:* You are not putting a poser, but you are making an assertion which I could not accept.

*Mr. Aeworth:* I understood that to be the effect. You do not go on to say that you propose to alter the size of the consignment to which the special rate attaches, but that you propose to go back to the practice of the past.

*Sir John Simon:* I want to make it quite clear, and my understanding is this. We feel compelled, in view of the criticism that is offered, which seems to us on analysis quite sound, to withdraw the suggestion that we should quote per truck load. But, of course, we entirely agree it is desirable that quotations should be made for large quantities, and, if large quantities are sent, that the rate should, in the proper cases, be lower. I hope that system will be

more and more followed. But that, of course, is simply saying that we will quote by reference to the quantity tendered and not by reference to the kind of truck in which it would be carried.

*Mr. Davis:* Is it your contention that a 2-ton lot is no good to you as a company and no good to the trader—it is too small a quantity?

*Sir John Simon:* We would much sooner have 4 than 2. But you appreciate that the only reason I say this now is that we have thrown out the suggestion that we should quote, not per 2 tons or per 4 tons, but per truck load; and inasmuch as the trucks on the railway systems are of all sorts and sizes, the question then arose—and the Committee put it to us—how are you going to guarantee the trader that he will get the appropriate size of truck? The advice given to me is that, as a practical matter, that is a thing we could not guarantee under the conditions of traffic in England, at any rate, until trucks are standardised, which they are not at present. We are obliged to say that is a good criticism, and I am obliged to go back and say we will quote by reference to minimum weight and not by reference to truck load.

*Mr. Aeworth:* May I be sure that I understand? I thought you had, but I gather now you have not, precluded yourself from saying—for the sake of example, you give a 2-ton rate with a reduction of 10 per cent., you might perhaps, in future, make it a 6-ton rate with a higher reduction.

*Sir John Simon:* No. I meant it to be nothing more than this, that we had thrown out the suggestion that we might be able to quote per truck load; to which the criticism was made by yourself, I think more particularly—how will you be sure that you have got the right-sized truck; to which our answer was, we cannot be sure, but we will only quote this favourable rate if the right-sized truck turns up; to which you said, that leaves the trader in the position that he does not know until the last moment whether he will pay less or more. We have cudgelled our brains to answer that, but we cannot answer it.

*Mr. Aeworth:* All I said was, what are you proposing to do for the trader when you have a wrong sized truck?

*Sir John Simon:* The answer is, that we propose to give the trader a quotation which he will be entitled to have whatever the size of the truck is; therefore he need not bother with the size of the truck; he will get the right quotation.

*Mr. Jepson:* But you are not bound to have the existing conditions with regard to 4 tons, for instance, in Class A when you might reasonably, according to practice, have 7 tons; or in grain where they quote 4-ton lots, to bring it up to a minimum of 6.

*Sir John Simon:* I am not in the least shutting the door to that. That, I think, makes the matter plain.

*Sir Walter Berry:* What the traders will be anxious about—with a view to saving time, because after all if the matter is approached in the way I hope it will be things will be very much shortened—when a trader offers a railway company 20 tons and his rate is quoted as for a 4-ton minimum load and the company are able to put the 20 tons in two 10-ton trucks, he should have a very substantial difference in his rate.

*Sir John Simon:* In the end one has to fix a fair charge having regard to the average circumstances. If I may say so, I would entirely agree that the fact that a railway company has got a large number of big trucks is a good reason for making the charge smaller rather than larger; but I do not think you can concede to the trader some rebate of the charge merely because it happens that his stuff goes into 10-ton trucks.

*Sir Walter Berry:* You see what I have in my mind. Presently the companies are certain to say to us, "We must have this classification because it is a 4-ton load;" but as a matter of fact the trader offers the company a 20-ton load and it goes in two 10-ton trucks; it is greatly to the advantage of the company and of the country and everyone that it

2 June, 1920.]

[Continued.]

should be economically managed, and the trader will want to share in those benefits and require a reduced rate.

*Sir John Simon:* But you have in mind the history of this matter. Sir Alexander Butterworth came forward with that proposal. He came forward with the proposal—

*Sir Walter Berry:* It was an impossible proposal.

*Sir John Simon:* Forgive me. He came forward with the proposal that if the traffic were carried in, say, 10-ton wagons, the rate should be cheaper.

*Sir Walter Berry:* I beg your pardon, that was not the point I had in my mind.

*Sir John Simon:* But it is the other side of the same point. It was then objected—How are you going to guarantee the trader that you will produce a 10-ton truck? The answer is, we cannot guarantee that.

*Sir Walter Berry:* If a farmer or a trader gives you 10 tons and you have only an 8-ton wagon, you say he should pay the rate for the 8-ton wagon and a higher rate for the odd 2 tons, though it is due to no fault of the trader. The trader will not want to have his classification and rate built up on a 4-ton load and then the railway company take all the advantage out of the bigger loadings. If that is borne in mind and met it will save a good deal of discussion later.

*Sir John Simon:* We will certainly bear it in mind. I only want to draw the distinction—what is saunce for the goose is saunce for the gander—either we proceed on the basis that the charge will depend on the size of the wagon that is actually tendered or else it will depend not on the size of the wagon actually tendered, but upon the limit of weight mentioned in the quotation. We were prepared to propose the first, but only on the terms that if we could not provide a wagon of the larger size we must charge the higher rate.

*Sir Walter Berry:* In the actual working some of these things which seem difficult are really so easy. A country station has 20 empty wagons in the morning, and the stationmaster is told on the telephone to expect so much traffic. It is that man's duty, if he is a good stationmaster, to allocate his wagons to the best advantage as to the loading.

*Sir John Simon:* Certainly.

*Sir Walter Berry:* Then many of these things which seem impossible on paper are quite easy in practice. The wagons will go away pretty well all full; there will be little bad loading, or if there is the stationmaster would get into trouble.

*Sir John Simon:* Yes. I will not say more than that we will call a goods manager to deal with the matter. And if I may add this, if you will consider some of the objections taken by some of your colleagues at page 20 on June 17 probably from your practical experience you will be able to deal with them. For myself I find it difficult to deal with the objections.

*Sir Morland:* May I ask a question with regard to that on behalf of the fruit and vegetable people? I understand Sir John Simon to say, in cases where truck loads are now quoted instead of lots, they wish that practice to continue. I submit that the truck-load basis in existence now for different areas is as much injustice to that area as the whole would be to the whole area; and I suggest that the railway companies should adopt the ton basis instead of the truck basis.

*Chairman:* Is it your suggestion that the facility which is at present offered to the trader should be withdrawn?

*Sir Morland:* No; rather extended, Mr. Chairman.

*Chairman:* I understand you to say it was an injustice to the locality.

*Sir Morland:* I understood Sir John Simon to say that in cases where the truck-load was quoted for—say, a 5-ton load as the case may be—

*Chairman:* A 5-ton load is not a truck-load. I think you are mixing two things.

*Sir Morland:* I will try not to do so. I think there are odd instances where one or two of the companies have tried, and succeeded, to establish a 5-ton truck-load basis. It works very unjustly, and it works as

unjustly in those particular instances to which it applies as the whole would work unjustly to the whole.

*Chairman:* Is it that you want that withdrawn?

*Sir Morland:* I suggest that the whole area should be put on the one basis.

*Chairman:* Do you want that particular facility, which you say has been given to some traders, withdrawn?

*Sir Morland:* I would not regard it as a facility, but as a disadvantage.

*Chairman:* Then it cannot concern you, because you have only to refuse it and then you are free from all difficulty.

*Sir Morland:* No, it is not the refusal. I will accept the suggestion Sir John Simon has made, so far as the low basis instead of the high basis is concerned; but I think he deserved charging the truck-load basis in cases where it is at present required. I would like it removed and the whole put on the lot basis instead of the truck-load basis. Another point. With regard to quantities that are quoted for, whether 4, 6, 8, 10, or 20 tons, I ask that the same 4, 6, 8, 10, or 20 is quoted to a foreign inland station as from a port.

*Chairman:* We have had that point.

*Sir Morland:* Thank you, Sir.

*Mr. Abady:* In the timber trade case I have another witness, Mr. Brown, who can do three things—confirm what Mr. Turner has said; deal with the question of bad loading and storage from which the trade suffer; and deal with the question of allocation to stations, from which traders also suffer. With respect to confirmation, I take it that the Committee has the case before them. Bad loading and storage are not matters before this Committee; and the question of allocation I understand has been before you on previous occasions, and that the Committee has considered it as a temporary phase of hardship which they recognise. In these circumstances, it will not be necessary for me to detain the Committee by putting Mr. Brown in the chair.

*Chairman:* Then the livestock traders' case comes next.

*Mr. Head:* In this case, Sir, I appear for the livestock traders of Great Britain. They are an Association which has a membership of about 1,500 members. Their headquarters are in London, and they have various provincial branches. I propose to call only one witness, Mr. Holton, the Chairman of the Association; and perhaps I might mention the interesting historical fact that Mr. Holton's father gave evidence on behalf of the same people before Lord Balfour's Committee which sat in 1890. The first point that we desire to make is this. In the Interim Report which you made with reference to rates—the Report of December 16th, 1919—when you put the increase of 60 per cent. on the majority of the goods carried, there were on page 12 certain what I may call agricultural goods on which you put a rate of only 25 per cent. The submission which the livestock traders desire to put before you is this, that, in view of the importance of cheap food to the country, they desire to submit to you the suggestion that they should have something of the same kind of treatment—that is to say, that so far as the livestock trade is concerned, if you are compelled to put an increase of 60 per cent. on the old rates for ordinary traffic, they should have a considerably lower rate put on their traffic. The reason, apart from the question of the fact that any increase of the rates must eventually come on the consumer and so increase the price of food, is another point which I do not imagine is very well known and which makes this matter of very great importance. Mr. Holton will tell you the details in full when I call him, that it appears that livestock does not continue for the whole of its life in one place, where it is bred, and then merely go to the place where it is slaughtered. In order to get the full development out of livestock, both sheep and cattle and, I think pigs also—though I am not sure about them—it is necessary to move them about England from time to time; that is to say, they are bred in one part of England, where they will stay for a certain time, then they will be moved to some other portion of England where the pasture at that point of their development is more fitted for

22 June, 1920.]

[Continued.]

them; and in order to get the best results the cattle and sheep will probably be moved about three or four or even more times from where they are bred until the time when they go to the slaughter-house, I am instructed that the result of this kind of movement is to increase the weight of sheep from 12 to 20 lbs., and of cattle from 12 to 20 stone. I am further instructed that if the railway rates are put to a price which makes the movement of these cattle and sheep a really heavy burden the result will be that the cattle and sheep will remain where they were originally bred, and they will not be sent about the country to these different pastures; with the result that that amount of what I may call beef and mutton which might have been developed if they had journeyed as they should have done, will be entirely lost to the country. You yourself, Sir, mentioned this morning the question of a breaking point. I am told that since this increase of 60 per cent. came into force the business of moving cattle about has been materially reduced, and that there is a considerable danger that, unless something can be done to assist us, there may be a permanent loss in the development of these animals. Now, the Livestock traders come before you as persons who are greatly interested in this, because there are, of course, large agricultural markets all over England; but all the different farmers who desire to purchase cattle either for fattening or for slaughter do not all attend these markets; likestock traders go and move these cattle in bulk to where they are wanted, and in that way the work of the railways is considerably improved, and the farmers are saved from having to wander about to these places. That is the first point that Mr. Holden desires to put before you. The second one is this. If there is to be an increase of rates, it should be conditional upon efficient service. He will tell you that before the war the railways were accustomed to run trains entirely consisting of live stock. That appears to have fallen into disuse. At the present time, live stock are mixed in trains consisting of cars carrying other goods, which means more shunting and delay. Of course, that is extremely prejudicial on the live stock. It loses weight, and also the live-stock trader has to bear the expense of added charges for feeding and watering. Then the third point he desires to deal with is the question of owners' risk and companies' risk. Upon this heading, one point which we desire to emphasise was that we should have one form of consignment not owners' risk and companies' risk from the various companies, because we have been considerably embarrassed in the past by the large number of forms, each railway having its own form, which caused a considerable amount of trouble. I understand now that a form has been agreed upon—the London and North Western Company have kindly given it to me—for live stock which is going to be adopted by all the companies, I am told, when they have got rid of their old forms. We should like, I suggest, that a common form should be brought into use as soon as possible with all companies.

*Chairman:* Is that new form satisfactory?

*Mr. Head:* No, I have one or two points I desire to make on that.

*Chairman:* You said it had been agreed upon?

*Mr. Head:* It has been agreed upon amongst the railway companies.

*Chairman:* I follow.

*Mr. Head:* So far as the owners' risk clause is concerned, we desire to adopt Mr. Balfour Browne's suggestion, which he made earlier on in this inquiry.

*Chairman:* That the companies should continue to take substantially the whole risk that they took under the companies' risk note. What difference in rate would you allow for that?

*Mr. Head:* Well, I was coming to the question of these rates. That was my next point. As regards the rates, as I understand it, the rates for the carriage of animals are contained in Part 2 of the

Maximum Rates and Charges Order, page 181. The difficulty that we are face to face with, and which we have been face to face with, is the absolute lack of necessary information. What we desire should be made quite clear in future is that we are entitled to have a consignment setting out exactly the owners' risk and the companies' risk, and also what we are to be charged for owners' risk and companies' risk. Mr. Holden has got out for you a statement of certain actual rates for which he has got the consignments notes in his possession. When he puts those before you, it will appear that he and other traders have constantly been sending presuming they have been sending their goods at owners' risk; but when the prices are worked out on those scales, it appears that sometimes they have been charged the full maximum rate, sometimes a little over the maximum rate, and sometimes a little under the maximum rate. It is quite possible that there may be some perfectly good explanation of it, but what we desire in the future is that we may know exactly where we stand, and that we may know what we have got to pay for companies' risk, and what we have to pay at owners' risk, and that there should be a reasonable proportion between the two.

*Chairman:* You are going to tell me what is the reasonable proportion when the risk is substantially the same in both cases.

*Mr. Head:* I would rather you asked Mr. Holden.

*Chairman:* Have not you got the opinion of your clients upon it?

*Mr. Head:* Not on that point.

*Chairman:* How would you clear up this Part 2 table? It looks to the uninitiated as if it stated the maximum.

*Mr. Head:* When I call Mr. Holden I will put before you certain figures in which the actual sums under 5, 6 and 7 have been worked out. As I say, in some cases, though we were sending our animals at owners' risk, we appear to have been charged at at least the maximum rates.

*Chairman:* We are not going into the question of whether there has been any breach of the existing law.

*Mr. Head:* No.

*Chairman:* Nor can we hope to more than make the law clear and correct in future. It is no part of our business to see that it is observed. Somebody else must see to that.

*Mr. Head:* I quite agree.

*Chairman:* If the law is clear what more can we do?

*Mr. Head:* What I am asking is, if we are going to have a consignment note, we should have two consignment notes, one for the owners' risk and one for companies' risk, and that we should then have a clear statement that such and such a load of cattle can be sent at such and such a rate owners' risk, and companies' risk such and such a rate. Mr. Holden has merely got these figures to put before you to show you the practical difficulties we have.

*Chairman:* Your consignment note cannot state the rate from every station in Great Britain to every other station in Great Britain?

*Mr. Head:* No, but when we ask for a quotation we ought to be given a clear quotation as to what we can send a certain load for at owners' risk and what we can send it for on companies' risk.

*Chairman:* Do not you get that now?

*Mr. Head:* No, that is the difficulty.

*Chairman:* Very well.

*Mr. Head:* Then there is one other point. At the present time, under the Act of 1884, Section 7, there is a limitation in the case of cattle up to £15 and sheep and pigs up to £2. The suggestion of the association is that that rate should now be raised owing to the increased cost and so forth, and that figure should be put at £25 for cattle and £7 for pigs and sheep.

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

MR. ARTHUR JOHN HOLDEN called.

Examined by MR. HEAD.

5636. You reside at Doncaster?—I do.

5637. You are a farmer and dealer in live stock?—That is so.

5638. I think you have carried on that business for 35 years and upwards?—I have.

5639. Your father was a dealer in live stock?—Yes.

5640. You used to assist him as a boy?—Yes.

5641. So that practically you have had a life-long acquaintance with the trade?—That is so.

5642. Perhaps you will read your statement and amplify it as you go along?—I may say that I am Chairman of the Livestock Traders' Association of Great Britain, Limited. The Association was established in 1918 for the purpose of protecting the interests of the livestock traders, and since its inception its membership has steadily increased, and at the present time is approximately 1,500. These members comprise some of the largest and most influential traders throughout England, Scotland and Wales. The Association has its headquarters in London, and provincial branches are established in different parts of the country. The Committee are perhaps aware that in pre-war days approximately 33,000,000 head of cattle were carried on the different railways in the United Kingdom, at a cost of about one and a half million pounds per annum. So far as I am aware, no statistics are available for the last few years. Neither I nor any of the members of my Association are in any sense railway experts, and I do not myself pretend to have any real knowledge of railway working, so that beyond expressing generally the views of my Association upon the questions raised before this inquiry, so far as it strikes us, I propose to confine myself, as far as possible, to those matters which particularly concern livestock traders, and incidentally reflect, in my view, upon the general public—consequently, the consumers. While I feel that I am not qualified to discuss the nice questions which arise on railway workings, I feel equally strongly that I am particularly qualified by my experience to explain to the Committee the practical effect which, in my opinion, will result not only to the members of my Association, but to the public at large, from a high rate being permanently placed on the carriage by rail of livestock. We desire to suggest that the percentage of increase on the old rates should be considerably less for the livestock trade than for other transport, as any increase must fall on the consumer, and thereby the cost of food must go up. I propose, in the first place, to show how the livestock trader assists in the economical distribution of meat. In various large agricultural centres there are a number of markets to which the livestock is consigned for sale, either for stores or slaughter.

5643. Stores means for fattening?—That is so. The livestock trader attends these markets with a view to purchasing stock in bulk for re-sale to the farmers—that is store stock—and the butchers—that is fat stock—respectively in their own districts. The markets are naturally established in centres where there is a surplus supply of stock, and in a sense, therefore, the dealers act as distributing agents from the centres of production where there is a surplus to the centres where there is a deficiency. If it were not for the livestock traders it would mean that the individual farmers and butchers requiring animals for stock or slaughter would have to attend the various markets and buy such limited numbers of animals as they might require for their own purposes. Not only would this procedure be a very inconvenient and expensive one for the farmer, but it would also throw considerably more work on the railway companies, as it will be appreciated it is much easier and more economical in trucks and otherwise for the companies to deal with a few traders conveying comparatively large lots, rather than with a number of farmers sending in small lots. I should like now if I may to explain how, in my opinion, high railway freights will have the effect of reducing production of meat. In order for me to do so, it is necessary

for me to explain some of the practical details in connection with the breeding and distribution of cattle and sheep. Cattle and sheep are bred in different parts of the country, and reared to a certain degree of maturity. The chief breeding counties in England are:—Lincolnshire, Somerset, Yorkshire, Devon, Cumberland, Hants, Westmorland, Wiltshire and Berks, and in Scotland—Aberdeen and the Highlands.

5644. Mr. Davis: You mention here Doncaster market, where the butchers go to. They bring in cattle from Lincolnshire, Nottinghamshire, andshire. I am only a layman, but you have studied these rates?—Where have you obtained these particulars from?

5645. You come from Doncaster?—Quite right.

5646. I am talking about Doncaster Cattle Market.—Quite right.

5647. I said I was only a layman, but I want to know what it costs the public. Take cattle of the larger sort—cows, heifers, and so on. You pay 60 per cent., as I understand your argument?—Yes.

5648. You have to pay another 40 per cent.?—Yes.

5649. That seems a very heavy tax, and it is a heavy tax, I admit, for traders to bear; but what does it come to, as a matter of fact? That is what I want to get at. Say on ten head of cattle on one head of cattle, how much does it put on a pound to the public; or half a ton, or any weight you like? Have you any figures you can give us?—That is very hard to determine, because you must take the fact that our traffic bears a continuity of the 60 per cent. Here you have a bullock reared in the district I have just mentioned, but this has to carry a burden of 60 per cent., imposed by the railway companies from A to B; at a further stage it may have to carry still another 60 per cent. to get it to ample maturity, shall I say, by feeding. Then it may go from B to C before it is ready either for London or Liverpool or Manchester or Doncaster market.

5650. Have you any figures when it has got there?—When it gets there, you may take it is fully 1d. per pound dearer.

Cattle and sheep (especially cattle) are also largely bred in Ireland. In order, however, that the stock may reach the highest value for slaughtering, it is necessary that it should be distributed to other districts, where the feeding conditions are more favourable.

5651. You have not any actual figures to show that it is 1d. a pound. It is only what you have estimated or thought of?—I give you my practical experience.

5652. You said 1d. a lb. You must have some data to go on. Is it 1d. a lb.?—Yes, 1d. a lb.

5653. Chairman: You are talking of various journeys?—That is so.

5654. You are just pointing out, at the present time, that long before it comes to the slaughterhouse it has done several journeys by railway?—Yes.

5655. You are taking all those into account, and the final carriage to the market for consumption?—Yes.

5656. You make the assumption in what you have told us, and I should readily agree with you, that it is impossible to arrive at the exact figure, but it must be averaged over an immense number of items?—That is so. Just to enlighten the Committee, may I say this? The weights of sheep are much harder to get at than in the case of beasts. The average sheep, I would say, when it is killed weighs 72 lbs. A farthing on that is 1s. 6d.; 1d. a lb 6s. Our contention is this: If you put this prohibitive rate on, and it is prohibitive—I am taking sheep as a simpler method of calculation—you will then have these sheep remaining in the district where they are bred, and you will get them slaughtered at a stage of immaturity. Take Norfolk. I have several friends in Norfolk who in the past would feed 500 hoggets,

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

that is, lambs a year old. 400 of those would do well and get fat. 100 will be left, and want one month's extra keep, turnips and so on, and then in the ordinary course those would be conveyed to the fields of Nottinghamshire, the good grazing land in the Trent Valley, or to the good lands of Leicestershire, Market Harborough, and so on; but on account of this rate, which is prohibitive, there is no probability and no possibility of that. It is a fact which is operating to-day.

5657. *Mr. Davis*: You would not prevent the transfer for the sake of feeding these animals because of this little increase on the cost of transport?—Yes, I can prove it in this way.

5658. There does not seem to be any proportion in it?—It is operating now. These men will not come. On account of the increased tariff, they are not coming now. My fellow traders are not coming to this district and taking the stock. Consequently, as I have illustrated, 100 sheep are now being slaughtered in Norfolk that weigh perhaps 50 lbs. per lamb, instead of being conveyed to the different feeding rich pastures, where in three months they would increase their weight from 15 to 25 lbs. per head per sheep of mutton. Consequently, you lose to the British consumer £15 to 20 lbs. per head.

5659. You mean you get a better profit if you slaughter them?—It is not a matter of profit. I am not dealing with profit. I am dealing with the general interests of the consumer and the country.

5660. *Mr. Jepson*: The position is this, that the 100 sheep that have not fattened he is not able to sell to the Buckinghamshire farmers; they do sell them when they transfer them from place to place?—That is so. He would sell them, but they say that this extra railway charge is prohibitive, and I will not buy them and I will not risk it. May I tell you that, as a practical trader, when I was in Dumfries a few weeks ago, taking the leading livestock trader in Dumfries who transfers thousands of sheep annually from Dumfries to the southern pastures to be grazed, I question if he has transferred a thousand during the whole of 1920, for the simple reason that the extra increased charge of 60 per cent. is as much per head as he and his Scottish fellow traders used to get for wintering them from October to March, and consider a fair profit.

5661. What do you suggest the Buckinghamshire farmers and the Hertfordshire farmers are going to do with their grass?—Some of them will buy a rearing class of stock locally, and they will go to markets nearer hand which we are all doing, myself included. We are buying a class of stock that may come to market day by day. We first take heifers a year old and graze them while they are of an age fit to be put to the bull. So we have to manipulate in this way consequent upon this 60 per cent. increase. Those are the facts which are happening.

5662. *Chairman*: It is the long-distance traffic which is principally suffering. There is still a certain amount of movement going on over shorter distances?—Just so, but you can appreciate that over the shorter distances the same grazing and climatic conditions obtain.

5663. True. We have all got to face the fact that the value of money has fallen very much?—That is so.

5664. And that really 60 per cent. added to the railway rates does not mean that a man is paying more than he was paying before the War proportionately to all other expenses?—No, but that works out on the other side as well.

*Chairman*: No doubt.

5665. *Mr. Aeworth*: How much has the value of a lb. of beef or mutton or lamb bought at the butcher's gone up to the consumer?—Since when?

5666. Since the beginning of the War?—It varies with each joint. Pre-war I bought the best cuts of fresh beef at 9d. a lb., but you will be charged 2s. 2d. for it to-day.

5667. Then it has gone up about 150 per cent.?—Yes.

5668. If the railway rate has only gone up 60 per cent., there must be less pressure on the farmers than before?—Well, it is not so much that there is pressure on the farmers, but the livestock trader and the farmer in the long distances as the Chairman is suggesting will not accept the risk of the 60 per cent. increase in the tariff.

5669. Do not you think it is only because he has not got accustomed to it? If he has not appreciated that on the value of the article he has to sell, the railway rate has not gone up nearly as much as the article he was selling has gone up, though it paid him before the War?—That is just where we are under control. In a few hours' time we shall have the manacles taken from us and enjoy, we hope for a period, English liberty. Then where we are we do not know.

5670. Then you will be able to get all your mutton fattened on good pasture, and you will be paid for it?—No, the same conditions will exist so far as the railway companies are concerned. They have not promised us to take 60 per cent. off, like the Ministry of Food have promised to take the manacles off.

5671. *Chairman*: You are anticipating getting better prices after the control is taken off, are not you?—Well, it may be so.

5672. *Sir Walter Berry*: I think the British farmer was always a gambler, and he is looking forward to the spread of gambling in his business now?—I was wondering where paying the railway rates came in in your question; but I may tell you that is bound to follow as a matter of supply and demand, because we are short of stock, particularly sheep—both cattle and sheep—in England. We have the smallest number of sheep in England that has ever been known to the memory of any gentleman in this room.

5673. *Mr. Aeworth*: Then you are hopeful of getting better prices on the stock which is fed in the best pastures?—Yes; but it may not last above ten minutes.

5674. *Sir Walter Berry*: You will have to bear in mind the very high price of hay as well as the high price of sheep. Has not that something to do with your people not going to buy the sheep, seeing that they are £6 a head, when in the old days they were 50s.?—Yes.

5675. And taking them away to pasture, on which, if they do not do very well, they may not see a profit or get anything in the way of increment?—Yes.

5676. Wherever, if the hay was harvested they might make a big price?—That is so.

5677. You must bear that in mind in making your contention?—Yes. May I proceed with my proof?

5678. *Chairman*: If you please.—The principal feeding districts are Leicestershire, Lincolnshire, Wiltshire, Norfolk, Kent, Buckinghamshire, Devonshire, Oxfordshire and Yorkshire. Here, in passing, I may say that rather funny conditions exist in my own particular trade in this way. Here is Lincolnshire, which breeds a lot of cattle and sheep. Then you have a certain class of trader coming along. There are fine pastures in Leicestershire. They buy this store stock in Lincolnshire, and they convey the animals from Lincolnshire to Leicestershire. Then, at the close of the grazing season, which generally terminates at the end of October, which the rich feeding properties of the grass are run out, certain of these cattle having got fed, the Lincolnshire man comes again and he repurchases the store cattle, and those that have not got the quality of meat you like in London, and they come into Lincolnshire yards, and they are fed on roots, hay and clover, and so on. Then, as you can appreciate, in a grazing district like Leicestershire, there are no cattle fed in yards, and they have no room for winter feeding. Consequently, the trader comes along and fetches those cattle back from Lincolnshire into Leicestershire where the market will be, to feed the people of Leicestershire. If a bul-

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

lock has been taken from Louth to Market Harborough, and has been grazed at Market Harborough, and has not got quite fat enough for the London market, and has gone back to Louth again, and has been fattened, you have the beast carrying three 60 per cent., and one 100 per cent. If freights, therefore, are to be raised it must be borne in mind that the effect may be to raise the expense of moving the stock from the breeding to the grazing districts to such an extent that it may not pay the farmer to transfer the cattle to the finer grazing districts, as the profits he would make from the extra weight developed by the stock would be swallowed up in the increased freights. The improvement in weight by transferring the stock from the breeding to the grazing districts would naturally vary with the length of time during which the stock had the advantage of the better grazing, but the increase in weight would average from 12 to 20 lbs. per sheep, and from 12 to 20 stone per head for cattle. In the absence, therefore, of favourable conditions of transit, this very large amount of food would be totally lost to the country annually. This transfer of cattle from one district to another is constantly taking place, and the same cattle, as I have illustrated, may be transferred quite a number of times with the view of bettering its condition, and rendering it more productive. There is no hard and fast rule governing these transfers. Everything depends upon the weather and time of year, and the consequent condition of the grazing districts. Another effect of high railway rates would be to render impossible the even distribution of meat to the various centres of consumption. The demand for home-killed meat greatly exceeds the supply, and consequently, if railway rates are raised considerably, it will inevitably result in home-killed meat being consumed near the centres of production. I anticipate that those of us who live in the country and sometimes take a hand at milking our own cows, and collecting our own eggs, will be living on the fat of the land, while you in London will be consuming succulent frozen mutton from New Zealand and Australia, and living on Swiss condensed milk, and I wish you every joy of it.

5679. Mr. Davies: On the other hand, probably you could not consume it all, and if the companies cannot get a profit on taking your cattle, what then?—We quite appreciate the increase in cost to the railway companies through rolling stock, coal, and labour, and we are quite prepared to have our rates advanced. I have not heard a fellow-trader who objects to that for a moment; but we do consider, on the facts as obtaining to-day, that 60 per cent. is prohibitive to the through traffic of the grazing stock to the feeding districts, and the British consumer will suffer, and is suffering to-day, if it is kept on.

5680. If 60 per cent. is too much for you to bear, and the companies cannot carry at under 60 per cent. or under 100 per cent., what are you going to do? Must the railway companies have a subsidy from the Government, or must they be a paying concern? On the average, they pay about 3½ per cent. You would not consider that excessive?—I would not.

5681. Then you want them to carry at a loss?—We do not.

5682. To their disadvantage and to your advantage?—No.

5683. I only put these questions that you can see where the Committee is?—That is quite right, but at the same time you must remember that it is a national problem, and we are dealing with live-stock traders and with a national commodity.

5684. We are all national, but we must pay our ride. You must pay your way. The Government must be paid by us and you and everybody?—That is quite right. It is not for me to organise the railway companies and say how they can pay. As I prefaced my remarks, I do not know anything about their working.

5685. I am not criticising you. I am only a member of the Committee as a layman trying to find out where we are going to?—I am only a layman giving evidence. Let us see what the effect would be, for instance, on London, Leicester and Norfolk are the nearest cattle-producing centres, and these are over 100 miles away. Furthermore, at the present time, large consignments of cattle are sent from Scotland and Ireland to London for slaughter. With large railway freights, this certainly will not continue. I may say this has not continued to the full extent of the Irish transport during the last spring. We have, I may say, thousands less Irish cattle imported from Ireland on account of the prohibitive tariff. I call it "prohibitive" because it has proved that it is prohibitive. I merely go by what I know as to the facts and figures. Cattle are now costing something like £3 or £4 a head to import from Ireland owing to the excessive transport. London will have to rely entirely on overseas and colonial and frozen meat, except for such small quantities as it may be prepared to pay exorbitant prices for.

5686. Chairman: An extra penny a pound?—Yes, at present, and perhaps more. May I now refer to some of the specific questions put by the Ministry of Transport? First of all, with regard to question 8, viz., the division of goods service into express, ordinary, and service by passenger train. We certainly desire the present facilities for sending live stock by passenger train continued, although I may say that is not a privilege which we very often availed ourselves of—it is more for the companies' convenience than for the traders' convenience—but with regard to dividing goods into express and ordinary, we contend that live stock should always be "expressed," and every effort made to get it through to its destination with as little delay as possible. The existing conditions in this respect are very bad compared with pre-war days. It used to be the custom to make up whole trains of live stock, and I think these were sent forward when possible after a passenger train, with the result that the stock arrived at its destination in the minimum of time, and consequently in good condition. In support of that, may I say that I bought store ewes, that is ewes to breed from, which left in eight or ten wagons of sheep? Ashford, in Kent, at 2.30 on the Tuesday afternoon, and I have had my man unloading them at Borley at 7.30 the following Wednesday morning; or at Doncaster at 8.30 on the following Wednesday morning. Such a statement appears to me, as a practical trader, as a dream to-day. We do get them the same week, I admit, but that is all I can say in the same circumstances. During the war, this practice fell into disuse for no doubt very good reasons, but we suggest that the practice should be revived as soon as possible. The general practice of the companies at the present time is to make up trains with mixed goods, with the result that they have to be shunted into numerous sidings in the course of their journeys, and the live stock consequently takes two or three times as long to get through to its destination. The following are instances of some recent delays.

5687. Chairman: We have not to deal with railway management. We have only to deal with the question of rates?—I quite appreciate that. I will mention one to show it. A friend of mine sent some sheep from Newberry on the Friday; they landed in Nottinghamshire, Farnsfield, between Nottingham and Newark the following Tuesday, although the Midland Railway Company were advised of their coming. The effect of such delays in live stock traders is serious, for it means that they get their stock in nothing like as good a condition as if it were delivered expeditiously. The stock loses weight, and the trader is put to considerable extra expense for the feeding and watering charges of the railway companies.

Then there is another matter I would like to call attention to, and that is this. It is our usual custom to order wagons at the stations. We require them a few days before. If it is an active station like York, Doncaster, Hull, Newcastle, and so on, they generally have a fair supply of wagons, and one day's notice will do for them. But if we go to a country station we generally advise three or four days before.

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

One of my fellow traders in Devonshire ordered some wagons on the Friday for live fat stock to convey to a Government grazing station on the following Wednesday. He walked those cattle 9 miles from his farm to the station of which the company had been apprised, and on arriving at the station the stationmaster told him that no wagon had arrived. He took them back again 18 miles. You quite appreciate, after 18 miles tramp on the road, those bullocks did not weigh any more when they got home than when they left. He ordered the wagons again under pretty well the same conditions, and again he had to walk 9 miles there and 9 miles back. I leave you to your own conclusions.

5688. Mr. Head: Before you go on, your point on that is if these rates are charged you want a guarantee that the companies shall be liable if they fail you in that way?—That is so. Of course, as to that point, the farmer would lose weight in grazing, but if the meat was deteriorated in quality the Government would suffer or the consumer under the Government. We are all under Government control in regard to fat stock. As the Committee are probably aware, it is incumbent on the companies to feed and water the cattle when they have been on rail 24 hours. In many cases these charges would not be incurred if the stock were delivered expeditiously, and it is obviously much less expensive for the trader to turn his cattle out to pasture than to pay the company for feeding and watering the cattle en route. The last point upon which I desire to offer any observation is as to owners' risk and companies' risk. I do not wish to labour this as it has been gone into so many times before. I understand that the form of consignment note prepared in the name of the London and North Western Railway Company has now been agreed as being that which will be adopted by all the railway companies. The proposal of having only one form of consignment note in use by all the railway companies, instead of each railway having a different one, is an excellent proposal; and one which I intended to put forward myself, but I am not in agreement with the conditions set out in this form. Livestock traders are not very much concerned with "companies'" risk consignment notes, because their almost invariable practice is to send at "owners'" risk, and I am, therefore, of opinion that there should be:—(1) an "owners'" risk rate on reasonable terms, and (2) a "companies'" risk rate to cover the case of prize or other specially valuable stock on terms which make the companies insurers of the goods. May I say that in my 35 years of trading I have never seen either on my own behalf or that of a fellow trader a consignment of stock at company's risk—I mean ordinary stock. What we want is this. When I get to station A, I want to ask the railway company what are your charges per truck for conveying me this stock from A to B at owners' risk, and what are the conditions you issue those charges under? Furthermore, I want a second charge under similar conditions for company's risk. The reason why the live stock traders invariably send on "owners'" risk rates is because the conditions attaching to the sending of livestock on "companies'" risk rate is not sufficiently attractive, as the onus of proof of neglect, &c., is on the trader. It is very difficult for the trader to prove neglect in the case of livestock, more especially as the railway companies do not, as they formerly did, allow the trader to send his own drover with the train to attend to the stock. I would suggest here that the railway companies allow us to send our representatives with our stock if we choose. If that protection could be effectively provided, we would pay the railway fare.

5689. Mr. Davis: When were you prohibited from sending a drover?—I should think ten years, as far as my memory serves me.

5690. Since when has that been a disadvantage to you?—Since then.

5691. Since when it has been a disadvantage to you?—Yes; it is for this simple reason. Here you

have a lot of cattle being stood in the market eight or ten hours when you have bought them. You convey those cattle 120 miles. Naturally they are tired on a hot day with standing on the hot stones, and they are restive. When they get into the truck they want to lie down. If you are allowed to have your drover with them you can give them attention. At a place like Rugby, for instance, your man will get out of the train and see if anything is wrong, prod the beasts up and see they are all right, and if one is in distress he can attend to it. He will take it out, not only saving the railway companies, but the traders, a considerable amount of money.

5692. Mr. Davis: That means to say every man to his own trade. A drover would understand the cattle much better than a stranger who never had any experience. That is your point?—Yes.

Chairman: I do not want to be always interrupting, but this is another question of management. We must stick to rates.

Sir John Simon: You are aware that there has been put on the railway companies of recent years the obligation to feed and water. In the old days there was no such obligation, and the drover necessarily had to go. The railway companies are bound to do it now.

Mr. Davis: You mean that these drovers neglected to water and feed?

Sir John Simon: I do not say that. I do not make a complaint against them, but the situation is different, because trains go faster than they did 50 years ago. Parliament has thought it right, in the interest of humanity probably, to impose upon them a duty to feed and water live things which go by train. That was not the thing in the old days.

Mr. Head: If there is any suggestion of negligence anywhere—

Chairman: Sending the drover has not anything to do with that. The question whether the company's neglect is to fall on the company or the trader is one we have well before us, and I do not think sending the drover affects that.

5693. Mr. Head: Very well?—I will pass on to the consignment note at the bottom of page 5. May I now indicate, very shortly, the conditions on the back of the suggested stock form of consignment note, which in Association regard as objectionable? Clause 1: There is, first of all, the onus of proof, to which I have already referred. I also suggest that ten days be substituted for the three days' notice of claim. My reasons for doing so are these. You have a livestock trader who is out on Monday and Tuesday; he buys stock on Tuesday and sends it home and it arrives on Wednesday or Thursday. He leaves for another market on Wednesday and takes the train to Holyhead for Dublin, attends Dublin on Thursday, a country fair on Friday, and is back home by a late boat on Saturday, and lands home on Sunday. He is not in a position to put in a three days' claim. He has somebody at home who advises him, his shepherd or men, that certain stock was dead on arrival.

5694. Mr. Davis: He has not a clerk or a typewriter?—Not at all, we do not keep them. You appreciate that, in three days he is not in a position to enter a claim he can substantiate. We suggest that instead of three days we should be allowed ten days to substantiate our claim. Clause 2 (a): The question of loss of market is an important one to us, and one which is constantly arising, and there ought to be some provision or means by which we can guarantee the arrival of livestock in time for a particular market. Clause 2 (3): I think it should be incumbent on the railway companies to give notice of arrival, seeing that they are carrying perishable property. Clause 4: The limit of liability set out here is far too low. It is the same as was fixed when the value of livestock was very different from what it is to-day. That was £2 and £15; £2 for sheep and £15 for beasts was once a very good price indeed. I have sold sheep for £2 as heavy as some jockeys who are riding horses to-day. We ask that the limit should be fixed at £7 for sheep and £45 for cattle.

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

5695. *Chairman*: Have you a copy of the livestock consignment note?—I have. (*Handed*.)

*Sir John Simon*: That is the new one.

*Mr. Head*: The London and North-Western.

5696. *Mr. Davis*: Clause 2 (3): "I think it should be incumbent on the railway companies to give notice of arrival" ?—Of arrival of our livestock.

5697. Notice of the arrival of the livestock the next day. What is the point, would you develop that?—That has come out very largely through this incessant delay we have had the last two or three years. At one time we could calculate. If I bought sheep and cattle in Oxford I could tell my men to half-an-hour when they would be home. The London and North-Western would give us a splendid run; they would be due at 3.30, but arrive at half-past five in the morning. My men would be there at six o'clock and know that they would be there. That would be on the Thursday morning. Now I might send down on Friday morning to find out if they are there.

5698. That is the point; you have to make private inquiry?—Yes, and ask the men to 'phone up those who are on the 'phone, and so on. Clause 9: I think there should be an obligation on the railway companies to notify the consignee on arrival, although except through some mistake the clause would never become operative, for the reason that the consignee is always advised by the consignor of the despatch of the stock, and the consignee is ready to take it over on arrival. It is our continuous duty to look after our stock and to have our men there immediately on arrival. Sometimes our men wait all night if we think they will come in the night, because our stock is of such value to-day and is such a perishable commodity we like them out of the wagons and into the pasture as speedily as possible. No delay ever occurs. The trucks are freed to the railway companies in a far shorter time than is the case with other commodities, and I desire to emphasise this point strongly as being material for consideration in support of our contention that livestock ought to be consigned on preferential rates. One of my main reasons for putting this strictly is this. Take a market like York market, which is held every Thursday. You will have five or six hundred cattle wagons entering York market on Wednesday morning, afternoon and evening filled with stock. On the Thursday you have buyers attending York market, and those wagons, in the hours intervening between the stock arriving and the purchasers purchasing on the Thursday, will be washed or should be whitewashed, cleansed and re-loaded and back again, some within six hours of arrival. We consider perhaps against any other traffic the company may have that we use the railway companies' wagons to the very best advantage. That obtains at York, and the same conditions obtain at Norwich. The wagons are taken there and are very largely occupied with store stock; at Norwich the markets are held on one day, and you have the London men and the Kentish men and the South country men buying fat cattle in Norfolk and conveying them in the same wagons to Loudon. All they are hindered in transit is the breathing time to get them cleansed which the Board of Agriculture demands. Clause 11: I object to the companies not being bound to give notice to the sender or consignee.

5699. *Mr. Head*: You had some figures you wanted to explain?—With reference to the rates.

*Mr. Head*: These rates you have here you have actually the consignment notes for? Were these all livestock that were consigned at owners' risk?

5700. *Mr. Jepson*: What is this table intended to prove?—These actual rates, some paid by myself and some by my fellow traders, are for traffic we have had recently or two or three years ago. These are rates for the carriage we have paid, and when you look at the figures you will appreciate that we have been paying in most instances the maximum rate and have been running at owners' risk. It appears to me, without I am contradicted by the railway experts here, that there is due to every livestock trader in England a considerable rebate.

5701. That is the point of the table. This shows the charges, and, according to your calculation, it is a charge at the company's risk?—Yes.

5702. Although the traffic has been conveyed at owners' risk?—Yes.

5703. *Mr. Head*: There is one mistake. The station terminals have been charged 1s. too short right down; the maximum ought to be 1s. more?—In working those terminals out the terminals should be plus 1s., but that is near enough to give you an idea.

5704. *Mr. Jepson*: That means the figure you put in as maximum rate in every case is to be increased by 1s. 7d.—Y-2s.

5705. That makes 1s. higher the difference between the maximum?—And what we have been charged.

5706. *Mr. Head*: The first one ought to be £1 19s. 2d., that is the maximum rate. The rate charged was £1 18s. 5d. The second one, the maximum rate, should be £2 12s. 0d., and we were charged £2 12s. 0d. and owners' risk, and so on, right away down the list.

5706. *Mr. Jepson*: I do not know whether I understand you now. Are these instances of charges made since the 15th January, or are they prior to the advance which came?—These are all pre-war rates.

5707. Pre-war rates and pre-war charges?—Yes. These are on the old scale, pre last January, at any rate.

5708. *Mr. Head*: On the second page, under Mr. Chapman's name, you have got some pre-war rates compared with the present rates?—That is so: that is 60 per cent. That is on the second page, half-way down.

5709. Until you get to Mr. Wilson's name, Bishopstone, Shirehampton, those are all pre-war rates?—That is the whole of the first page and the first item on the second.

5710. *Mr. Eve* and *Mr. Wilson*.

*Chairman*: This is another matter; it is not for us to go into. If they have been improperly charged they have their remedy in the County Court.

*Mr. Head*: We brought this forward to show that our claim for the two rates is fairly based.

*Chairman*: It throws no light on that question. They either have been rightly or wrongly charged; if wrongly charged, there is an end of it.

*Mr. Head*: Our point is that in the future we want to have the rate, to be told what our two rates are, company's risk and owner's risk.

*Chairman*: Did anybody apply to know what the rate was and be refused information?

*Mr. Head*: I cannot tell you. It shows that in practice these people have been absolutely working in the dark. That is the point.

*Chairman*: There is nothing to prevent them getting out the maximum before. You cannot do more than put in a statute what is the maximum.

*Mr. Head*: If it is necessary that the railway companies should supply two figures, what we carry at owner's risk and company's risk?—

*Chairman*: You do not know that these figures were applied for, you told us?

5711. *Mr. Head*: Is that so?—No. I will explain this. Custom has become habit. We have paid these rates until this inquiry let daylight into it. As counsel told you my late father was appearing at the last inquiry for the live stock trade in 1890, before Lord Balfour of Burleigh. We have gone on in our humble chipping away, we have been paying these rates and eking out a living and until this inquiry was held we did not know that we had been overcharged, but as you say our remedy is in the County Court. I quite appreciate that.

5712. You want to say anything else about terminals?—I want to call attention to one more fact. There are two terminals, station and service. We do not deny the station terminal, but as to the service terminal we contend that we should not be charged inasmuch as we do the service ourselves. We are charged 6d. on a small wagon, 9d. on a medium wagon, and 1s. on a large wagon on that service we do ourselves. Our men load the stuff and unload it and we consider that if we want the com-

22 June, 1920]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

pany to load and unload and put it in the docks or depot they should charge it, but if we do it we do not want charging.

5713. *Sir Walter Berry*: I suppose the companies' men push up the trucks one after another as your men drive the cattle in?—Yes, and just take them out.

5714. And count them?—Yes.

5715. *Mr. Aworth*: At the beginning you said that 35 million animals were carried?—Yes.

5716. I think you said that during their life they very likely travelled four times?—That is so.

5717. You said that they charged for these animals 1½ million pounds?—Yes.

5718. One and a half million pounds is 30 million shillings, so that the average taken for an animal was somewhere about 1d. before the War?

*Sir Walter Berry*: That includes sheep?

5719. *Mr. Aworth*: Yes it is animals. If he travelled four times before the War he spent 8s. 8d. in travelling. That was his travelling expenses during his life?—Yes.

5720. Now it has gone up to something like 5s. 6d.?—More than that.

5721. Sixty per cent, on 44 pence is roughly 5s. 6d.?—These figures are taken from a railway book.

5722. I will assume that they are right?

*Mr. Head*: They are taken from the 1913 book.

5723. *Mr. Aworth*: Those are the official figures. Is it possible that if before the War 44 pence for tickets did not stop the sheep travelling when he wanted to, 8s. 6d. will do it to-day when he is worth more than double as much?—Yes, he may be worth double as much, but if he is worth double as much for a fat, he is worth double as much for a store. Double as much does not interfere with transport.

5724. Suppose your income had gone up from £1,000 to £2,000, if your fares had gone up from 50 to 75 per cent, in the course of the year they would not hit you as badly as before the War?—No.

5725. That is the case with the sheep as far as I understand?—I cannot follow you there for the simple reason that our raw material, that is the store stock, is commensurate as dear as the fat stock.

5726. That I agree?—And it is the extreme rate that is asked now that is hindering transport of stock from the breeding to the consuming areas.

5727. *Chairman*: It seems to be an infinitesimal part of the increase in the expense?—It may appear worked out in fractions by you, but I bring these facts before you because they are facts. Had I other witnesses to call, I could prove that that traffic is not being carried to-day, and if any of the railway gentlemen will refer to their receiving stations they will find what I am stating is correct, that they have not this store traffic that they had pre-war, or pre the 60 per cent.

5728. Is not that more accounted for by the badness of the carriage than by the price. You have told us how the railway companies very likely from

#### Cross-examined by

5738. Although the matter has been very fully explained by you, I should like to ask you one or two questions; first of all, let us look at your table for a minute?—The charges?

5739. I will take a single example. I will take, for instance, Mr. Holden's traffic from Doncaster to Westbury. I suppose that begins on the Great Northern?—No, it is Westbury to Doncaster.

5740. Then it begins on the Great Western?—That is so.

5741. And goes up, I dare say, to Banbury Junction on the Great Central?—No, this traffic would come via King's Cross.

5742. In that case, it will go by Great Western to London, and then on to King's Cross?—Acton, Holloway.

5743. You have calculated the first 20 miles at 7d., the next 30 miles at 6d., the next 50 at 5.20d., the next 152 at 4.50d. Where do you get that from?—From the blue book.

necessity and no fault of theirs find it very difficult to handle this traffic, and there is a great delay. Would not that hinder people sending them about to be fattened?—Not really. We should try and get over that difficulty. We should load them lighter, instead of 30 sheep in a wagon, we might put 26 on long journeys, as we often do. We would meet that difficulty in that way.

5729. *Sir Walter Berry*: You have told us that there are less sheep to be carried, that is one point?—That is so.

5730. You probably find this, that there is a difference in expense. The dealers' expenses in getting stock from one market to another on speculative account are greater. They are people who are so useful to clear up the markets, and that man's week to week expenses are greater, and he does not turn up at the markets as he used to, and that is a great loss to the community?—That is right.

5731. *Mr. Head*: On page five of your proof, you deal with the question of owner's risk and company's risk, and Mr. Balfour Browne; will you read that paragraph, you missed it when reading your proof just now. It is the last paragraph but one on page 5?—I have considered the form of owner's risk Clause handed in by Mr. Balfour Browne, and am in agreement therewith, particularly as I have previously indicated the provision which throws the onus of proof on the railway companies. My Association, in carrying out its duties to its members, has constantly brought before its notice cases of live stock arriving at its destination in a condition in which it should not, and I know the difficulty of fastening any liability on the railway companies.

5732. *Chairman*: Can you give us the figure that you say you ought to pay, the difference between Mr. Balfour Browne's formula and the ordinary carriers' liability?—I cannot.

5733. Nor express it in a percentage?—No.

5734. The difference in liability to the railway company would be something very trifling?—I suppose it would.

5735. He would be nearly liable for as much on the owner's risk as on the other?—I appreciate that.

5736. *Mr. Jepson*: What do you suggest the Committee should do with regard to the rates of live stock, if you say that 60 per cent. would prohibit the traffic. What should the Committee do now, and what should they do in future, if we are to find money, and it should not be on the live stock? Do you mean how much would I increase the rates?

5737. You have said that 60 per cent. has prevented a lot of traffic passing which would have presumably passed but for the 60 per cent. increase? What ought to be done?—I think 30 per cent. increase is one which would remunerate the railway companies, and one which the traders would be willing to pay, and one which would preserve the food of the country and allow a free transit.

#### SIR JOHN SIMON.

5744. Do you not understand that when you start on another railway company, the first 20 miles would be charged as the first 20 miles?—I quite understand.

5745. If you quite understood it, why put it down like that?—For your correction really.

5746. You did it deliberately?—I did.

5747. You knew it was wrong, and you did it deliberately?—I knew those were the charges.

5748. I have your answer. We will confine ourselves to one or two plain matters of fact, because you are able to help the Committee on matters of fact. Do you tell the Committee, as a matter of fact, that the cattle trucks which are used for moving live cattle are usually available to take a load on the return journey?—They are, in very large markets.

5749. Is it your evidence to the Committee that, generally speaking, the cattle trucks are trucks which carry a load both ways?—Generally speaking, they are, without it is extreme country stations.

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

5750. I will take the first instance you put, traffic to Norwich. You sometimes get as much as four cattle-truck trains running to Norwich?—That is so.

5751. Do not you know that after the cattle have been taken out of those trucks at Norwich the trucks have to be cleaned?—Yes.

5752. Where are they cleaned?—On the docks.

5753. I suggest to you they are taken to London, they are Great Western trucks and they are brought to Acton and cleaned at Acton?—I suggest that I have seen Great Northern, North Eastern and Midland wagons being cleaned on the docks where they have arrived, and start re-loading and sent away again.

5754. I understood the traffic you spoke of came from Fishguard?—I never mentioned Fishguard.

5755. I thought you did, I beg your pardon, but, as a matter of fact, was it not Irish traffic that was going to Norfolk?—No, I never mentioned Irish traffic.

5756. Would it not be?—Not necessarily so.

5757. I put it to you, because I have information here from the railway companies?—I quite follow that you have.

5758. To see whether you are prepared to contradict it, that traffic with trucks containing live cattle is traffic which, as a rule, is difficult for the railway company, because they have to clean the trucks at the end of journey; as a rule, the truck comes back empty. Do you agree or not?—I do not agree.

5759. You have had a long experience in the trade?—35 years, and my father before and my grandfather before him.

5760. We shall be able to find that out from the railway people in no time?—Yes.

5761. At present the price of meat is controlled, so that the price of meat in London is the same as the price of meat close to where the meat comes from?—Yes, that is so.

5762. That is coming off on the 4th July?—Yes.

5763. What do you expect will happen on the 4th July as regards price of meat in London as compared with the price of meat in the country where the meat is?—That depends on supply and demand. If London people wish to eat frozen meat and take it in preference to our own at the price, they will be at liberty to do so.

5764. I should think you would agree with me in your trade, as in other trades, the price depends upon supply and demand?—It does.

5765. Is it past experience that the demand for meat in London is considerable?—That is so.

5766. A good many people in London eat meat?—That is so.

5767. Is it not your experience within the past that a good many people in London eat meat, and the price for meat in London is higher? speaking generally, than in many cases in the country?—I do not follow that.

5768. Has it not been your experience in the past?—No, I have known it as low in London as any place in the British Isles.

5769. I do not deny that, but I suggested to you that general experience showed the price of meat in London was sometimes a little higher?—Sometimes it is.

5770. *Chairman:* Do you speak of English meat?—We are speaking of English meat.

Re-examined by Mr. HEAD.

5789. My friend has rather suggested with regard to Westbury that the rate as regards Westbury was on two railways, but I think those figures were worked out by your solicitors and put in here. My friend has suggested, I think, that you deliberately tried to deceive the Committee. You had no idea of that in your mind?—No.

5790. *Sir John Simon:* I took the gentleman's answer. He said he knew it was not the way the rate was made up?—May I explain? I think there is an explanation due to you? I knew of this and

5771. *Sir John Simon:* Anyhow, it would depend whether London demands good meat?—Yes.

5772. Whether people in the homes and hotels want the best meat which no doubt is British meat.

*Mr. Davis:* Is it your experience that the best meat goes to London?—Are you asking me that?

5773. Yes?—The best and the worst, my experience is, comes to London.

5774. And the best of meat that gets to London is a little less in price than it is in the provinces?—I did not say that.

5775. I am asking you?—No, I do not think so.

*Sir John Simon:* I do not know, but I thought probably, generally speaking, the price of the best meat in London might be a little more, it may be the same or exceptional—

*Mr. Davis:* I understood the witness to say that it was a little less.

5776. *Sir John Simon:* I want to point out when the market is a free market and the prices depend upon supply and demand, the place where people are demanding most is the place where you expect to get the stuff sold?—Only natural.

5777. Did I understand you to say that your experience during the war recently was that you could not get cattle trucks as you wanted them?—That is so.

5778. That means that you were prepared to send more meat than, in fact, you were able to send?—Oh, no.

5779. What did you want the trucks for?—To send the meat that was there.

5780. What did you want the trucks for?—To send fat stock to the grading station to hand over to the Government.

5781. As you could not get sufficient trucks, you did not send as much as you wanted to send?—I never said sufficient trucks. My illustration was that the truck was ordered for one wagon a beast—I mentioned nine cattle.

5782. Is it or is it not your evidence that recently it has not been possible to get the trucks you wanted in such quantities as you wanted them?—My evidence is this, I illustrated a case where one of my fellow traders in the county of Devonshire bought some stock to be loaded; that wagon had been ordered on Friday for the Wednesday and was not there, although it was to convey stock that was to be handed to the Government, and those cattle had to walk nine miles back again.

5783. Is it your evidence that people in your trade have found that the supply of wagons has not been sufficient for the cattle they wanted to send?—In some cases it is.

5784. In those cases you would be prepared to pay the railway rate, but the trucks were there to take it?—That is so.

5785. Up to the present the railway rate has not ruined you?—Under control very often you would find you would get to a railway station with some store stock, but the Government commanded the available wagons for the transport of fat stock.

5786. Anyhow, those bad days, I hope, are over?—I hope they are.

5787. Now when you have your stock to send we hope there will be wagons to take it?—I hope there are, at 30 per cent. instead of 60 per cent.

5788. I hope you will pay the rate, whatever it turns out to be?—I am sure we shall.

*Sir John Simon:* And put it on the consumer?

was going to call attention to it. I know the point you were going to labour with me.

5791. *Mr. Head:* I was going to ask you if the Chairman had gone through it in detail?—If you think I did this with any trickery, I apologise sincerely.

5792. *Mr. Davis:* Have you had any experience of the Railway and Canal Commission?—No.

*Mr. Morton:* May I ask a question of the witness? It is not with reference to the question of an exceptional rate to London, but if I can get something

22 June, 1920.]

MR. ARTHUR JOHN HOLDEN.

[Continued.]

out of this witness it may save asking you to hear another witness later.

*Chairman:* Very well.

5793. *Mr. Morton:* Imagine a market going on at Aberdeen and a dealer from Dundee and another from Glasgow and another from London attending it, the effect of your evidence is that there is a very small chance of that meat coming to London?—That is so.

5794. We all know that it is impossible to put the three on an equality as far as the railway rates are concerned owing to the distances, but I am going to suggest to you a solution of the difficulty to some extent which will bring them a little nearer together, and I want to see if you agree with it. As you know, the rate per mile decreases according to the increase in the distances sent?—Yes.

5795. Suppose this Committee were able to make that decrease a very large decrease, what I may call a very steep decrease, that would have the effect of making London a little more on an equality with Dundee and Glasgow?—Yes.

5796. What is the view of your Association with regard to that? Would you welcome such a step by this Committee?—Certainly we should.

*Mr. Head:* Perhaps Sir John Simon will take it from me. I understand that Westbury was a joint road, but certainly in the first ones Spilsby, Ranskill, Retford and Rugby, Spilsby, Ranskill and Retford are Great Northern alone, and Rugby Great Central alone. This will serve to establish the point I was endeavouring to make.

5797. *Mr. Morton:* One other question with regard to this contest. I am imagining between a Dundee dealer, a Glasgow dealer and a London dealer. Am I right in saying that unless the London dealer is sure that he is going to get a very much higher price for his meat he cannot compete with the Glasgow and Dundee one?—That is right.

5798. That is dealing on the spot he does not know what price he is going to get for certain, and your view is that under the circumstances the meat will not come at all?—Certainly not.

*Chairman:* Then the next is the British Dye Stuffs Corporation (Huddersfield), Limited?

*Mr. Macassey:* Sir, I appear for the British Dye Stuffs Corporation, and I propose to call one witness.

*Chairman:* Very well.

Mr. JAMES HOBSON FITTON, called.

Examined by Sir LYNDEN MACASEY.

5799. Are you Traffic Manager of the British Dyes Corporation, Ltd., and a member of the Council of Traders' Traffic Conference?—That is so.

5800. Will you read your statement?—The British Dyes Corporation, Limited, have works at Ellesmere Port, near Liverpool, Huddersfield and Manchester, and are manufacturers of dyes and colourants and numerous chemical products used in the manufacture and application thereof. Mention was made by Mr. Acreworth of "one or two traders" having complained with regard to the conditions attaching to the conveyance of dangerous goods (p. 9, June 10th). Evidently he meant "*witnesses*" and not *traders*, as Mr. Lukes, who appeared on May 13th, spoke on behalf of the Association of British Chemical Manufacturers, whose membership is a large one, representing ninety millions of money. We desire to confine our evidence chiefly to questions arising with respect to Part 4 of the Order Confirmation Acts, and as the terms of reference to this Committee are that "The Minister having determined that a complete revision of the rates, fares, dues, tolls and other charges on the railways of the United Kingdom is necessary," we ask for a full consideration of the position in which we are placed with respect to Part 4 traffics. We have a large volume of traffic by rail, a considerable portion of which at present falls within Part 4. We would draw the Committee's attention, in passing, to the references contained in the replies of the Federation of British Industries and the Associated Chambers of Commerce with regard to "all descriptions of traffic," which clearly covers dangerous goods, and also to the request of the Federation of British Industries for the abolition of Part 4. The Mansion House Association state in their reply: "The railway companies should, in every case, be under obligation to quote alternative rates"—e.g., company's risk and owner's risk—and that the General Railway Classification as a whole should be revised by the proposed Board of Control, particularly in respect of the general regulations and conditions (including those relating to "dangerous goods"). The importance of securing at the present stage of the Committee's proceedings as full and free a discussion of the principles underlying the conveyance by rail of dangerous goods is emphasised by the impression of the traders interested in these traffics, which was, I believe, confirmed by a remark of the Chairman a few days ago, that if the present powers of the railway companies with respect to Part 4 are retained, all such traffics will be automatically ruled out of the later proceedings

of this Committee with respect to revision of classification. That is our fear, and that is why we press for the matter to be considered at this stage.

5801. *Chairman:* If Part 4 remains there will be no classification to be done?—Having once secured the power to charge such reasonable sum as they may think fit in each case, the railway companies have naturally made the utmost use of it, and any criticism which we may offer is not directed so much to the policy of the railway companies in respect of the matters complained of, as to the position established by law, of which that policy has been the natural result. Our experience over a long period has shown that it is a most difficult thing to prove that any specific sum charged by the railway companies for the conveyance of traffic included in Part 4 is unreasonable, although the sums charged, taking into consideration also the special conditions enforced by the railway companies, are as a matter of fact most oppressive and act in restraint of trade.

5802. If, in fact, it is oppressive and in restraint of trade, why is it difficult to prove?—Because of the latitude allowed by Part 4.

5803. Part 4 says it must be reasonable. If oppressive, they are obviously not reasonable. Why not give evidence that they are most oppressive, and the tribunal will hold that they are not reasonable?—That is what we hope to do when we get the new tribunal established.

5804. Have you tried it before the Railway and Canal Commission?—We have on one or two occasions been interested in cases decided there.

5805. Were you successful or unsuccessful?—Not on the exact position as to the reasonableness of the charge; I am wrong there.

5806. If you have not brought it before the Railway and Canal Commission, you have only yourself to blame?—I suppose that inference may be drawn.

5807. It does not follow that you would bring it before the new tribunal if set up?

*Sir John Simon:* I do not think the question as to whether the charge is reasonable need necessarily come before the Commissioners' Court:

*Chairman:* Has it to be settled by an Arbitrator?

*Sir John Simon:* No.

*Chairman:* You are right; that is a mistake I am always making.

*Sir John Simon:* If the sum involved is not too large it can be decided in the County Court.

*Chairman:* Whether it is a reasonable charge?

5808. *Sir John Simon:* Yes, the only authority which the railway company has is to charge such

22 June, 1920.]

MR. JAMES HOBSON FITTON.

[Continued.]

reasonable sums as they think fit, and I apprehend therefore if anybody challenged their charge, the railway company has to show that the charges are reasonable. I do not know why they should not?—May I ask, do you think any County Court Judge would deal with the question of the reasonableness or the unreasonableness of a charge for dangerous goods?

5809. They will under Part 4?—I have never known it.

*Chairman:* Have you tried it?

5810. *Sir John Simon:* I am trying to help you?—Thank you so much for the suggestion.

5811. I think you will find, if you think it worth while challenging a charge on the ground that it is not reasonable, that under Part 4 it is competent to a County Court Judge in case of need to decide whether it is reasonable or not.

*Mr. Aworth:* Could you also go to the Railway and Canal Commission?

*Sir John Simon:* You might conceivably under the section which talks about ascertaining whether the charge is authorised by law, because we have no authority to charge anything except a reasonable charge.

5812. *Mr. Jepson:* Has not there been a case pending for a long time before the Railway Commissioners at the instance of the Traders' Traffic Conference, which brings up the reasonableness of all these conditions and rates for these dangerous goods?—An application was filed in the early days of the war. One section of the question has been heard and decided, but that particular point has not been decided.

5813. Nothing has been done as regards the others?—No, not yet. The application still lies there.

5814. I thought it had been dropped?—No. The dye industry in Great Britain is admittedly a "key" industry, which in turn depends to a considerable extent on the general chemical trades of the country for its raw materials, and the cumulative effect of repeated high charges for traffic passing by rail at various stages of manufacture constitutes a heavy burden, and hinders development. In both Germany and America the dye-maker has the benefit of low rates for rail transport of his raw materials, but in this country apparently owing to the powers conferred by Part 4 of the above-named Acts, and to the exaggerated ideas of the railway companies as to the risks involved in their conveyance (which, by the way, their own experience goes entirely to contradict), high rates are imposed for all classes of corrosive and inflammable liquids, and onerous conditions of packing and carriage insisted on.

Had the chemical industries of the country received better treatment in regard to transport matters they would have been in a far healthier condition than was the case in 1914, and on the ground of national safety we also ask the Committee to deal as fully as possible with the whole position in regard to dangerous goods. In Germany the manufacture of chemicals and their industrial application has been encouraged by every possible means, whilst in America considerable attention has been paid to this matter by the Interstate Commerce Commission, who formulate and publish the regulations governing conveyances (taking care to afford every protection to the public), and deal with the whole question in a much more business-like and liberal spirit than has been possible in this country, owing to the powers conferred by Part 4. In that connection I should like to draw attention to the American Regulations with regard to explosives. I also wish to refer to them in connection with a later paragraph to the effect that not only with explosives, but with inflammable liquids, whereas in this country the railway companies draw no definite line of demarcation between liquids which are inflammable and which are not inflammable, in America a line is drawn. In this country we have Class A into which it comes if below 73 degrees, and into Class B if over 73 degrees, but there is no definite line of demarcation as to where an inflammable liquid ends. In America they take 50 degrees as the mark; anything over is not inflammable, it is under ordinary goods.

5815. *Chairman:* Eighty centigrade?—Fahrenheit in each case. The railway companies here say up to 150 might be dangerous; in America they draw the line at 80. That is why we say they treat their traders in a more business-like spirit.

5816. Is not there danger if there is a temperature of 90 in the shade in the conveyance of inflammable liquids on a hot day in summer?—That is not the view of the Interstate Commerce Commission or Bureau of Explosives which works under the Interstate Commerce Commission. For the above reasons we press for the entire abolition of Part 4 of the Order Confirmation Acts, and are strongly of opinion that all descriptions of merchandise (including "dangerous" goods) should be properly classified and the conditions to be attached to the conveyance thereof decided by an impartial tribunal, instead of, as in the past, by one of the directly interested parties. We desire generally to support the evidence given on May 13th by Mr. Currington and Mr. Lukes. The powers conferred upon the railway companies by Part 4 were never intended, in our opinion, to deprive the trader of the benefit of rebates for services not rendered or accommodation not provided, such as are in fact allowed on all other descriptions of traffic, and in respect of the chemical products in which we are particularly interested, some of which are inflammable, corrosive, or poisonous, we beg to submit that whilst in 1892 the traffic in almost all classes of ordinary goods was well established, the trade in chemicals was not then developed to any considerable extent in this country, and the present day conditions with regard to dangerous goods are entirely different from those existing when the powers under Part 4 were granted. This is amply demonstrated by the fact that the regulations and conditions with regard to the carriage of dangerous goods in the Classification for the year 1890 occupied 38 pages, whilst in the Classification for 1920, out of a total of 488 pages no less than 212 are taken up by the special Classification for dangerous goods. We contend, in the light of present day knowledge, there is no reason to fight shy of the subject. It is a question that ought to be dealt with, and dealt with fully. Siding rebates are often refused on all the so-called dangerous goods traffics, although not only are the railway companies' own stations quite incapable of dealing with the traffic, but the railway companies themselves would not permit some of the traffics to be handled in their stations, even if such accommodation did exist. We therefore approve the suggestion of Sir George Beharrell (Q. 45, p. 8, 11th May) that conveyance should be charged separately, and that siding charges should be subject to negotiation, according to the particular circumstances in each case, as, for dangerous goods, it has not been found possible in practice to secure from the railway companies a division of the lump sum charges into component parts for the various services rendered. The railway companies appear to rely to a considerable extent upon the Act of 1845, which gave the right to refuse to carry dangerous goods. We are not aware, however, of any chemical product, whether explosive or otherwise, which the trader is in practice debarred from sending by rail, provided the conditions of packing, etc., stipulated for are complied with. There are minor exceptions, such as the East London and Metropolitan Railways, which decline to carry explosives and certain classes of inflammable liquids, and the Great Western Company, which will not carry through the Severn Tunnel explosives and other dangerous goods; such exceptions, however, do not in effect prevent the traffic from passing by rail, alternative routes being available which do not present the exceptional features underlying the prohibition. We therefore submit that the protection which the railway companies claim under this Clause is really of no effect, as if we take the extreme case of explosives, these are essential to various activities, and it is clearly the duty of the railway companies to accept and transport them, and any general refusal to do so would have led long ago to the abolition

22 June, 1920.]

MR. JAMES HOBSON FITTON.

[Continued.]

tion of the particular section of the 1845 Act referred to. If our proposal to place all such matters in the hands of the new tribunal be agreed to, there is no longer any necessity for this section. In connection with that I wish to draw attention to the regulations for the transportation of explosives in the States, issued by the Inter-state Commerce Commission, where they begin by saying: "General notice. As the use of explosives is essential to various business activities throughout the country, it is the duty of inter-state railroad carriers to accept and transport such explosives under these regulations." Then it goes on and sets out the conditions.

5817. How long are the regulations included in the Act?—The regulations with regard to the explosives alone occupy 30 pages. Mr. Jepson has a copy.

5818. *Mr. Jepson:* The whole book of regulations for the transportation of explosives by freight car consist of 274 pages?—It also deals with many other matters.

5819. The whole thing is regulations for the transportation of explosives and other dangerous articles by freight and express, and specifications for shipping containers?—The packages. The conditions imposed by the railway companies on their special consignment notes for various classes of dangerous goods are, in our view, oppressive and unreasonable. For many classes of liquid chemicals the use of owners' tank wagons has been largely introduced since the year 1900, but the provision of these tank wagons has not been sufficiently recognised by an adjustment of the charges—12-ton, 14-ton, and 20-ton loads being charged at exactly the same rate as 8-ton loads. A considerable discussion has taken place during the inquiry as to the provision for heavy loads of merchandise, and if Part 4 is abolished (but not otherwise) we shall be able to obtain whatever benefits are given in this direction for ordinary goods, and one of our chief grievances will thus be remedied, whether by means of percentage reductions or the heavy loads being provided for in a lower class or tariff. Quite a number of chemical products are charged at the collected and delivered company's risk rates under owner's risk conditions, the said conditions relieving the railway company of all liability in case of loss, damage, delay, or detention, either to the goods themselves or to the traders' trucks containing them, unless *wilful* misconduct on the part of the company's servants can be proved. It will, therefore, be observed that so-called dangerous goods do not receive the benefits of the concessions arranged at the Board of Trade Conference of 1909, and it is such a state of affairs which leads us to press most strongly for the conveyance charges to be set out separately in the rate book, and that only these services which are actually performed by the railway company in addition to the conveyance should be charged for. Reference was made in the early part of the Committee's proceedings to the question of responsibility for conveyance of dangerous goods, and in this connection we submit that the risks incidental to this class of traffic are not at all great, and, in our opinion, traders dealing with all classes of corrosive, inflammable, and poisonous chemicals as well as explosives would be quite prepared, if a special insurance fund could be instituted under the control of the new tribunal—that is only a suggestion, a special insurance fund under any proper conditions would be acceptable to the general bulk of the chemical trade—to contribute by means of an extra charge for insurance (graduated according to the nature of the different articles) to relieve the railway company of the risks incidental to conveyance of their goods, in so far as same were due to their corrosive, inflammable, poisonous or explosive properties, provided always that by so doing the railway companies would treat the goods as ordinary merchandise and classify them accordingly. At present the classification of dangerous goods is in the hands of the railway goods managers and chemists, the chemists being primarily engaged in other classes of work, such as

the testing of materials and stores purchased, and generally speaking having no practical experience of chemical processes and products. Under the present system our opinion is that one member of the Chemists' Committee, possessing extreme views or an exaggerated idea of the risks attaching to the conveyance of any product, can prevent concessions being made to the trader, although the majority of the Committee, and particularly those members most interested in the traffic under notice, may be anxious to grant concessions. We support the views expressed by Mr. Currington and Mr. Lukes on May 13th that all matters in connection with the traffics at present covered by Part 4 should be dealt with by the new tribunal, who would fix reasonable sum<sup>s</sup> and conditions of carriage and would define the risks to be borne by the trader and the railway company respectively. Such tribunal should, in our view, have power to secure the services of recognised experts—not necessarily connected either with trade or transport interests—in assisting them to arrive at proper decisions on points of difficulty, such as whether any product specified was in fact dangerous, and such decisions should be final and binding both on the railway companies and the traders. The trader should be able to appear before the tribunal, either in person or by means of a responsible representative appointed by him who has knowledge of the subject, such as traffic manager, chemist, or, in the case of a limited company, the secretary or other responsible official. To sum up, we consider it essential that an entirely different basis should be established for the treatment of chemical products which can in any way be considered dangerous, as not only have we experienced hardships in the home trade on account of the onerous conditions imposed and high rates charged by the railway companies, but this has been strongly reflected in the charges and conditions of the various shipping companies who rely very largely on the railway classification as a guide when asked to carry traffic of all descriptions. All those engaged in the manufacture or distribution of dangerous goods are anxious to observe all reasonable regulations with regard to packing and loading, to ensure the safety of the public and the delivery of the goods in proper condition, when handled with reasonable care by those engaged in their transportation, and the fact that they have successfully accomplished this is demonstrated by the experience of the railway companies during the war when tremendously large quantities of so-called dangerous chemicals were safely conveyed to all parts of the country, and this fact should be recognised by more reasonable treatment being given to such traffics.

5820. *Sir John Simon:* Sir, I do not think that very clear statement is one I should properly spend time in cross-examining; we should like to read it on the notes, but I will just put this to him. I see Mr. Balfour Browne confirms the view I was suggesting just now when I interposed on the 12th May at page 9, really at the end of his speech. He says: "It is a curious fact and it emphasises my claim for a special tribunal, that under that section"—he means under Part 4 of the Provisional Order—Act—"it has been decided that a trader is entitled to have the reasonableness of the charge determined by a jury. That was decided in the Midland Railway Company v. Myers in 1909, 13 Appeal Cases. Surely it is not right that the matter should have to go to a jury to determine the reasonableness. It seems if you had a tribunal, especially if it is a tribunal constituted in the way I have suggested." He refers to his own suggestion that that would be the place to determine the reasonableness. I am not on the precise way you compose the tribunal, but we have referred to it sometimes as the business or new tribunal. Your view is that that is the tribunal which should decide what is a reasonable charge for goods which are to be treated as dangerous?—That is our view, not only charges but conditions.

5821. For the moment I am on charges. I dare say you appreciate in answer to the questions which were raised that the railway companies have put in an agreement that they think it would be proper

22 June, 1920.]

MR. JAMES HOBSON FITTON.

[Continued.]

for the reasonableness to be determined in such a case by this new tribunal so that we should be at one so far?—With regard to dangerous goods?

5822. Yes.—Thank you.

5823. The question whether the goods are to be regarded as dangerous or not of course, as you pointed out and we realise, is a different question. Would you like that also to be in the judgment of somebody other than the railway companies?—We should, somebody who had power to call expert evidence apart from the traders or the railway companies.

5824. Did you happen to follow the case which has quite recently been decided in the Commissioner's Court on that matter, Messrs. Brothertons' case?—I have not followed it closely.

5825. I wish you had. I am not asking whether you agree with the judgment, but I should like to have asked you whether you did not think that was done in a business-like way with the assistance of experts?—I am not aware who were the witnesses who were called. I cannot speak as to that.

Sir John Simon: That is a separate matter which we shall have to discuss with the Committee. You know the passage I mean? Sir?

5826. Chairman: Yes, I remember it.

Sir John Simon: If you will excuse me without thinking me discourteous, sooner than put a number of questions on what has been said I would prefer to have an opportunity of considering it, and I need not assure the gentleman that we shall wish as far as we can to adopt the views he has urged and pointed out, although we may have some criticisms to make?—Thank you.

5827. Mr. Aeworth: I hope you did not think I was belittling the importance of anybody when I said one or two witnesses. I have assumed here that all witnesses are representative and more than individuals. Whether I said traders or witnesses, it came to the same thing. I assumed in both cases they were representative of their trade?—Thank you; I did not appreciate that.

5828. Mr. Jepson: Is your Corporation preparing some suggested amendments to the present conditions and rates of which you complain for submission to this Committee?—I do not follow.

(Adjourned until to-morrow morning at 11 o'clock.)

## AHPPENDIX.

### REDUCTION OF RATES.

CLAUSES SUBMITTED BY THE CHAMBER OF SHIPPING OF THE UNITED KINGDOM AND LIVERPOOL STEAMSHIP OWNERS' ASSOCIATION.

A. No Railway Company shall alter or vary any rate, either upwards or downwards, without the consent of the Tribunal, save as herein provided.

B. Any Railway Company desiring to bring into operation a reduction in any rate shall give notice of its intention (a) by a written notice to the Secretary of the Tribunal, and (b) by advertisement in the "Board of Trade Journal," giving particulars of the proposed reduction, and of the date when it is proposed that the same shall be brought into force, not being less than 21 days from the date when such notice is given; and if no written notice of objection is given by a party entitled to object as herein defined (a) to the Tribunal, and (b) to the Railway Company proposing the reduction, within 21 days after the appearance of the said advertisement, the said reduction shall become operative as from the date named by the Railway Company as if the consent of the Tribunal had been obtained. If any such notice of

objection is given, the said reduction shall not take effect unless and until the same shall have been approved by the Tribunal after hearing the Railway Company and the party objecting.

C. Provided that the provisions of Sections A and B shall not apply to a reduction of a rate granted by a Railway Company to an individual trader upon particular consignments to or from a certain point or points on the railway, so long as such reduction is not in competition with rates for transport by land or water. In any such case, the Railway Company may grant such reduction, provided that they forthwith give notice thereof to the Secretary of the Tribunal. Particulars of all such cases shall be recorded by the Secretary, and such record shall be open to inspection at reasonable times by any party entitled to object on payment of a prescribed fee. Such particulars shall be published by the Secretary in the "Board of Trade Journal."

D. Any party entitled to object may at any time give notice to a Railway Company and to the Secretary of the Tribunal and by advertisement in the "Board of Trade Journal," of objection to any rate (whether the same shall have been previously altered or not) on the ground that it ought to be increased or reduced. The Tribunal shall thereupon, after hearing the Railway Company and the party objecting, determine the complaint, and the said rate as confirmed or altered by the Tribunal, and as from any date fixed by the Tribunal, shall thenceforth become operative.

E. If the Tribunal shall sanction a reduction of a rate on any application, it may at the request of the Railway Company determine that such reduction shall have a retrospective operation, and thereupon the Railway Company may refund to persons for

whom it has carried goods the amount of the reduction of rate allowed in respect thereof.

F. The term "party entitled to object" shall include any trader, carrier of goods, or Port or Harbour Authority, claiming that he or it has been or will be aggrieved or injuriously affected by any rate or by the reduction or proposed reduction of the rate, and any Chamber or Association of which such trader, carrier, or Authority is a member.

G. If any Railway Company shall reduce any rate contrary to the provisions herein contained, any party entitled to object may claim compensation against the Railway Company for any loss or damage he or it has sustained by reason thereof. Such claim shall be heard and determined by the Tribunal, and any sum awarded by the Tribunal shall be deemed to be a debt due from the Railway Company to the party in whose favour such sum is awarded.

#### EXPLANATORY NOTE.

Section A is based upon the "Proposed functions of the New Tribunal," paragraph 1 (Appendix to Minutes of Committee, 1st June, at p. 53).

The above proposals are based on the assumption that the Rates Advisory Committee will first fix standard scales and tariffs, and any specific exceptions to be allowed thereto, and that such will be intended to form the basis for the future working of the Railways. This policy is, it is understood, being adopted to secure (a) a reasonable revenue to the Railway Companies, (b) an equitable spread of that revenue over the various classes of traffic carried. Unless provision is made for control by the Tribunal over future variations, the Railway Companies would have power at any future time to re-establish the conditions now existing, that is, to render the work of the Advisory Committee to a considerable extent useless. For instance, the Companies might—

- (a) alter the relative ratio of different classes in the Tables;
- (b) Give preferential rates on imports or exports which the Advisory Committee may have determined to be wrong in principle;
- (c) Establish rates for the purpose of competition, which the Advisory Committee or Tribunal may regard in the circumstances

as detrimental to the public interest or as unfair.

The above provisions are therefore designed to maintain the general basis which will be laid down by the Advisory Committee, except so far as the Tribunal may approve of future alterations therein; but if no objection to a reduction of a rate is lodged, the reduced rate comes into operation automatically. If objection is lodged, the approval of the Tribunal should be a condition precedent, because otherwise irreparable damage might be inflicted before the objection is heard by the Tribunal; and meanwhile competing carrying agencies might be driven completely out of existence, the small ports laid idle, and great unemployment and distress caused. Reductions may be allowed to individual traders on particular consignments without leave, but, if such reductions operate in competition with other transport services, the necessity for the prior sanction of the Tribunal is maintained. As provision is made for reductions without the same having been considered by the Tribunal, a right is given to parties to object to any rate for the time being in force, so that Railway Companies and other parties are given access to the Tribunal for the purpose of securing revision or reconsideration of rates from time to time.

#### APPENDIX.

(Tables A, B and C handed in by Mr. Turner.)

TABLE "A."

Description.	Station delivered to.	Cost on Station.	Railway charges for carriage.		Percentage the Railway charges bear to the total value of the goods delivered.	
			On old rate.	On new rate.	On old rate.	On new rate.
35 Oak Butts ...	Montgomery to Bloxwich, 80 miles	£ s. d.	£ s. d.	£ s. d.	Per cent.	Per cent.
12 Oak Butts ...	Savernake to Bloxwich, 112 miles...	231 11 6	26 1 1	50 1 0	12	17 $\frac{1}{4}$
6 pieces Elm ...	Bredon to Bloxwich, 50 miles ...	127 6 9	26 8 2	41 11 7	17	25
Larch ...	Dorrington to Bloxwich, 56½ miles	38 13 10	7 10 7	12 4 8	16	24
Poplar ...	Evesham to Bloxwich, 50½ miles ...	33 12 9	4 15 6	7 2 11	12 $\frac{1}{2}$	17 $\frac{1}{4}$
		28 4 4	5 0 3	8 5 8	15	23

#### TRAFFIC PASSED SINCE NEW RATES IN FORCE.

Elm Tops... ...	Westerham to Maidstone, 21 miles	10 6 4	—	3 9 8	—	25
Oak Logs ... ...	Rolvenden to Westerham, 42 miles	149 13 8	—	42 1 4	—	22
Oak Tops ... ...	Do. do.	29 16 2	—	16 10 10	—	36

TABLE "B."

SHOWING difference between rates worked out with recurring maximum commencing conveyance charges and same treated as a single journey.

## WITH RECURRING MAXIMUMS.

—	Distance. Miles.	Railway.	Rate per ton per mile.
Craven Arms to Shrewsbury ...	20	G.W. & L. & N.W.R. Joint ...	2·20 equals ... ... 3 8
Shrewsbury to Wellington ...	10½	G.W.R. L. & N.W.R. having running powers.	2·20 " ... ... 1 11
Wellington to Bloxwich ...	40	L. & N.W.R. 20 miles ... ...	2·20 " ... ... 3 8
		" 20 " ... ...	1·85 " ... ... 3 1
			Terminals ... ... 3 0
			15 4

## AS A SINGLE JOURNEY.

		s. d.
20 miles ...	2·20	... ... 3 8
30 " ...	1·85	... ... 4 8
20½ " ...	1·40	... ... 2 5
	Terminals	... ... 3 0
		13 9

TABLE "C."

## DEAL, BATTEN AND BOARD RATES.

Rates between	Distance. Miles.	Rate prior to Jan. 15, 1920.	Rate per ton per mile.
Gloucester and Shrewsbury ...	73	10 0	1·64
Salop and Derby ...	68	11 4	2·00
Cardiff and Salop ...	105	10 6	1·20
Salop and Sheffield ...	104	14 0	1·62
Bristol and Salop ...	110	12 2	1·33
Salop and Doncaster ...	113	14 2	1·50
Grimsbury and Salop	173	15 7	1·08
Salop and Sheldon ...	180	18 4	1·22
Gloucester and Bloxwich ...	66	7 1	1·29
Bloxwich and Bulwell Forest ...	53½	8 8	1·92
Liverpool and Bloxwich ...	92½	11 2	1·45
Bloxwich and Wigan ...	81½	12 7	1·84
London to Bloxwich ...	122	14 9	1·45
Bloxwich to Horbury Junction ...	105	15 7	1·78
Sunderland and Nottingham ...	155	10 0	0·77
Gateshead to Nottingham ...	161	10 0	6·74
Corbridge to Lincoln ...	165	15 0	1·10
Manchester to Wellington (Salop) ...	91½	10 0	1·31
Wellington to Ramsbottom ...	97½	14 6	1·79
Hull to Wellington ...	162	16 5	1·21
Wellington to York ...	157½	17 6	1·33

